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UNAPPROVED

THE CITY OF SAN DIEGO, CALIFORNIA  
MINUTES FOR REGULAR COUNCIL MEETING  
OF  
MONDAY, JULY 23, 2007  
AT 2:00 P.M.  
IN THE COUNCIL CHAMBERS 12TH FLOOR

CHRONOLOGY OF THE MEETING:

The meeting was called to order by Council President Peters at 2:02 p.m. Council President Peters recessed the meeting at 2:28 p.m. for the purpose of a break. Council President Peters reconvened the meeting at 2:35 p.m. with Council Member Maienschein not present. Council President Peters recessed the meeting at 4:12 p.m. for the purpose of a break. Council President Peters reconvened the meeting at 4:19 p.m. with Council Member Maienschein not present. The meeting was adjourned by Council President Peters at 4:53 p.m. to convene into Closed Session.

ATTENDANCE DURING THE MEETING:

- (1) Council Member Peters-present
- (2) Council Member Faulconer-present
- (3) Council Member Atkins-present
- (4) Council Member Young-present
- (5) Council Member Maienschein- not present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Hueso-present
- Clerk-Maland (mz)

FILE LOCATION:

MINUTES

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ITEM-1: ROLL CALL

Clerk Maland called the roll:

- (1) Council Member Peters-present
- (2) Council Member Faulconer-present
- (3) Council Member Atkins-present
- (4) Council Member Young-present
- (5) Council Member Maienschein-not present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Hueso-present

FILE LOCATION: MINUTES

ITEM-10: INVOCATION

Invocation was given by Pastor Wilbert Miller of the  
First Lutheran Church

FILE LOCATION: MINUTES

ITEM-20: PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Atkins.

FILE LOCATION: MINUTES

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COUNCIL COMMENT:

COUNCIL COMMENT-1:

Council Member Faulconer welcomed two summer interns to his office.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:05 p.m. – 2:07 p.m.)

COUNCIL COMMENT-2:

Council President Peters welcomed the Aaron Price Fellows visiting City Departments and thanked residents and tourists for observing San Diego's "Beach Smoking Ban" on the 4<sup>th</sup> of July holiday.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:07 p.m. – 2:07 p.m.)

COUNCIL COMMENT-3:

Council Member Young welcomed the Aaron Price Fellows visiting City Departments.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:08 p.m. – 2:08 p.m.)

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**CLOSED SESSION ITEMS:**

**Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a):**

**CS-1 McGuigan v. City of San Diego  
San Diego Superior Court Case No. GIC 849883**

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

EACA Assigned: D. McGrath

The City Attorney's Office will update the City Council regarding the notice of *Disqualification of Judge McCue and the Motion to Vacate the Arbitrator's Award and* class motion challenging the award, as well as the settlement reached with Plaintiff's attorney, Michael Conger, related to same.

**Closed Session Comment 1:**

Daniel Coffey commented on arbitration fees and the City Attorney's role in the case.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:26 p.m. – 2:28 p.m.)

**Council President Peters closed the hearing.**

**CS-2 *Pacific Torrey Reserve Holdings, L.P. v. City of San Diego.***  
**San Diego Superior Court No. GIC 851874**

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

DCA Assigned: C. Brock

Pacific Torrey Reserve Holdings, L.P. (PTRH) initiated a declaratory relief lawsuit against the City requesting the court interpret the terms of a 1988 development agreement and declare PTRH's remaining development rights under the agreement. PTRH seeks to settle the sole remaining issue of PTRH's right to recover attorney's fees and costs. The City Attorney will present PTRH's settlement proposal to the City Council.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:25 p.m. – 2:26 p.m.)

**Council President Peters closed the hearing.**

**CS-3 *Property Damage Claim: James and Lisa Thomas and Sandpatch, LLC***

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

DCA Assigned: C. Fitzgerald

Settlement of claim by James and Lisa Thomas and Sandpatch, LLC, relating to City sewer main flooding property located at 2220 and 2222 Fescso.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:25 p.m. – 2:26 p.m.)

**Council President Peters closed the hearing.**

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CS-4 *Specialty Risk Services v. City of San Diego*  
San Diego Superior Court Case No. GIC 863661

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

Deputy City Attorney assigned: B. Hsu

Plaintiff claims personal injuries as a result of a trip and fall which occurred on March 14, 2005. In closed session, the City Attorney will request that the City Council consider settlement of the case.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:25 p.m. – 2:26 p.m.)

**Council President Peters closed the hearing.**

CS-5 *Harvey Furgatch v. San Diego Unified Port District, et al.*  
San Diego Superior Court Case No. GIC 775242

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

CDCA Assigned: H. Carlyle and DCA Assigned: J. Riley

Plaintiff alleges his lawsuit was a substantial factor in causing the termination of the purchase and sale agreement for the transfer of property (Tailgate Park) from the City to the San Diego Unified Port District. The Council will be advised of the status of this litigation and discuss whether to waive the attorney client and attorney work product privileges, in a limited scope, for the purpose of defending this lawsuit.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:25 p.m. – 2:26 p.m.)

**Council President Peters closed the hearing.**

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CS-6 *Friends of Rose Canyon et al v. City of San Diego*  
SDSC No. GIC 874140 and

*Las Palmas Condominium Owners' Association et al v. City of San Diego*  
SDSC No. GIC 872000

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

DCA Assigned: C. Brock

The above lawsuits arises from the City Council's certification of the Environmental Impact Report ("EIR") for the University City North/South Transpiration Corridor Study, Project No. 27445 ("Project") and the Council's legislative decision to approve the implementation of the Regents Road Bridge Alternative and initiate an amendment to the University City Community Plan. The City Attorney's Office and outside counsel, Kevin P. Sullivan, Esq., may discuss case settlement and matters pertaining to the existing contract.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:25 p.m. – 2:26 p.m.)

**Council President Peters closed the hearing.**

**Public employment - performance evaluation, pursuant to California Government Code Section 54957(b)(1):**

CS-7 Title: City Clerk

**REFERRED TO CLOSED SESSION OF TUESDAY, JULY 24, 2007**

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:25 p.m. – 2:26 p.m.)

**Council President Peters closed the hearing.**

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ITEM-200: Fiscal Year 2008 Park and Recreation Maintenance Assessment Districts  
Annual Levy Approvals.

(Citywide.)

**STAFF'S RECOMMENDATION:**

Adopt the following resolutions:

Subitem-A: (R-2008-31) ADOPTED AS RESOLUTION R-302854

Resolution to levy and collect Fiscal Year 2008 annual assessments on various  
Maintenance Assessment Districts previously reviewed and approved in the  
City Budget review process;

That the Council authorizes the levy and collection of assessments in the City  
for the Fiscal Year 2008 pursuant to the provisions of the California Streets and  
Highways Code sections 22500 *et seq.* and San Diego Municipal Code  
Chapter 6, Article 5, Division 2 (Law) to pay a proscribed portion of the cost of  
future maintenance of improvements. These improvements are more generally  
described in the assessment engineer's report, submitted in connection with the  
Maintenance Assessment Districts (Districts) and on file in the Office of the  
City Clerk.

1. Bay Terrace – Honey Drive Maintenance Assessment District
2. Bay Terrace - Parkside Maintenance Assessment District
3. Bird Rock Maintenance Assessment District
4. Black Mountain Ranch North Maintenance Assessment District
5. Black Mountain Ranch South Maintenance Assessment District
6. Calle Cristobal Maintenance Assessment District
7. Camino Santa Fe Maintenance Assessment District
8. Campus Point Maintenance Assessment District
9. Carmel Mountain Ranch Maintenance Assessment District
10. Carmel Valley Maintenance Assessment District
11. Carmel Valley Neighborhood 10 Maintenance Assessment District
12. Coral Gate Maintenance Assessment District Maintenance Assessment  
District
13. Coronado View Maintenance Assessment District
14. Del Mar Terraces Maintenance Assessment District



15. Eastgate Technology Park Maintenance Assessment District
16. El Cajon Boulevard Maintenance Assessment District
17. First San Diego River Improvement Project Maintenance Assessment District
18. Gateway Center East Maintenance Assessment District
19. Genesee/North Torrey Pines Road Maintenance Assessment District
20. Hillcrest Maintenance Assessment District
21. Kings Row Maintenance Assessment District
22. La Jolla Village Drive Maintenance Assessment District
23. Liberty Station Maintenance Assessment District
24. Linda Vista Maintenance Assessment District
25. Mira Mesa Maintenance Assessment District
26. Miramar Ranch North Maintenance Assessment District
27. Mission Boulevard Maintenance Assessment District
28. North Park Maintenance Assessment District
29. Ocean View Hills Maintenance Assessment District
30. Otay International Center Maintenance Assessment District
31. Pacific Highlands Ranch Maintenance Assessment District
32. Park Village Maintenance Assessment District
33. Peñasquitos East Maintenance Assessment District
34. Rancho Bernardo Maintenance Assessment District
35. Rancho Encantada Maintenance Assessment District
36. Remington Hills Maintenance Assessment District
37. Robinhood Ridge Maintenance Assessment District
38. Sabre Springs Maintenance Assessment District
39. Scripps – Miramar Ranch Maintenance Assessment District
40. Stonecrest Maintenance Assessment District
41. Streetlight District No. 1 Maintenance Assessment District
42. Talmadge Maintenance Assessment District
43. Tierrasanta Maintenance Assessment District
44. Torrey Highlands Maintenance Assessment District
45. Torrey Hills Maintenance Assessment District
46. University Heights Maintenance Assessment District
47. Washington Street Maintenance Assessment District
48. Webster/Federal Boulevard Maintenance Assessment District

That the maintenance consists in general of the maintenance of those contained in the assessment engineer's reports (Reports) submitted in connection with the Districts, and filed in the Office of the City Clerks as follows:

<u>Maintenance Assessment District</u>	<u>Document Number</u>
1. Bay Terrace – Honey Drive	RR-_____
2. Bay Terrace – Parkside	RR-_____
3. Bird Rock	RR-_____
4. Black Mountain Ranch North	RR-_____
5. Black Mountain Ranch South	RR-_____
6. Calle Cristobal	RR-_____
7. Camino Santa Fe	RR-_____
8. Campus Point	RR-_____
9. Carmel Mountain Ranch	RR-_____
10. Carmel Valley	RR-_____
11. Carmel Valley Neighborhood 10	RR-_____
12. Coral Gate	RR-_____
13. Coronado View	RR-_____
14. Del Mar Terraces	RR-_____
15. Eastgate Technology Park	RR-_____
16. El Cajon Boulevard	RR-_____
17. First San Diego River Improvement Project	RR-_____
18. Gateway Center East	RR-_____
19. Genesee/North Torrey Pines Road	RR-_____
20. Hillcrest	RR-_____
21. Kings Row	RR-_____
22. La Jolla Village Drive	RR-_____
23. Liberty Station	RR-_____
24. Linda Vista	RR-_____
25. Mira Mesa	RR-_____
26. Miramar Ranch North	RR-_____
27. Mission Boulevard	RR-_____
28. North Park	RR-_____
29. Ocean View Hills	RR-_____
30. Otay International Center	RR-_____
31. Pacific Highlands Ranch	RR-_____
32. Park Village	RR-_____
33. Peñasquitos East	RR-_____

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34.	Rancho Bernardo	RR-_____
35.	Rancho Encantada	RR-_____
36.	Remington Hills	RR-_____
37.	Robinhood Ridge	RR-_____
38.	Sabre Springs	RR-_____
39.	Scripps – Miramar Ranch	RR-_____
40.	Stonecrest	RR-_____
41.	Streetlight District No. 1	RR-_____
42.	Talmadge	RR-_____
43.	Tierrasanta	RR-_____
44.	Torrey Highlands	RR-_____
45.	Torrey Hills	RR-_____
46.	University Heights	RR-_____
47.	Washington Street	RR-_____
48.	Webster/Federal Boulevard	RR-_____

That all real property in San Diego included within the exterior boundary lines of the maps designated as the Districts, filed in the Office of the City Clerk as follows:

1.	Bay Terrace – Honey Drive	M-_____
2.	Bay Terrace – Parkside	M-_____
3.	Bird Rock	M-_____
4.	Black Mountain Ranch North	M-_____
5.	Black Mountain Ranch South	M-_____
6.	Calle Cristobal	M-_____
7.	Camino Santa Fe	M-_____
8.	Campus Point	M-_____
9.	Carmel Mountain Ranch	M-_____
10.	Carmel Valley	M-_____
11.	Carmel Valley Neighborhood 10	M-_____
12.	Coral Gate	M-_____
13.	Coronado View	M-_____
14.	Del Mar Terraces	M-_____
15.	Eastgate Technology Park	M-_____
16.	El Cajon Boulevard	M-_____
17.	First San Diego River Improvement Project	M-_____
18.	Gateway Center East	M-_____
19.	Genesee/North Torrey Pines Road	M-_____

20.	Hillcrest	M-_____
21.	Kings Row	M-_____
22.	La Jolla Village Drive	M-_____
23.	Liberty Station	M-_____
24.	Linda Vista	M-_____
25.	Mira Mesa	M-_____
26.	Miramar Ranch North	M-_____
27.	Mission Boulevard	M-_____
28.	North Park	M-_____
29.	Ocean View Hills	M-_____
30.	Otay International Center	M-_____
31.	Pacific Highlands Ranch	M-_____
32.	Park Village	M-_____
33.	Peñasquitos East	M-_____
34.	Rancho Bernardo	M-_____
35.	Rancho Encantada	M-_____
36.	Remington Hills	M-_____
37.	Robinhood Ridge	M-_____
38.	Sabre Springs	M-_____
39.	Scripps - Miramar Ranch	M-_____
40.	Stonecrest	M-_____
41.	Streetlight District No. 1	M-_____
42.	Talmadge	M-_____
43.	Tierrasanta	M-_____
44.	Torrey Highlands	M-_____
45.	Torrey Hills	M-_____
46.	University Heights	M-_____
47.	Washington Street	M-_____
48.	Webster/Federal Boulevard	M-_____

exempting therefrom all public streets, roads, alleys, avenues and highways. Reference is hereby made to the maps and the Reports for further and more particular description of the Districts, so on file. Such maps and Reports shall govern for all details as to the extent of the Districts;

That the maintenance and expense of the contemplated maintenance are made chargeable upon the Districts, and the Council does declare that certain properties within the Districts receive special benefit from the maintenance of the improvements;

That the City Council shall assess those properties within the Districts which receive a special benefit from the maintenance for the total amount of the maintenance costs of the Districts, plus incidental expenses thereto, to be received by the individual parcels of real property within the Districts;

That the Council may order a portion of the costs of maintenance to be paid by the City from appropriate funds. The proposed budgets for the Districts are as follows:

1.	Bay Terrace – Honey Drive	\$	10,142
2.	Bay Terrace – Parkside	\$	34,307
3.	Bird Rock	\$	137,745
4.	Black Mountain Ranch North	\$	191,475
5.	Black Mountain Ranch South	\$	602,160
6.	Calle Cristobal	\$	186,697
7.	Camino Santa Fe	\$	240,003
8.	Campus Point	\$	24,769
9.	Carmel Mountain Ranch	\$	293,377
10.	Carmel Valley	\$	1,735,234
11.	Carmel Valley Neighborhood 10	\$	182,411
12.	Coral Gate	\$	99,590
13.	Coronado View	\$	18,757
14.	Del Mar Terraces	\$	65,234
15.	Eastgate Technology Park	\$	136,875
16.	El Cajon Boulevard	\$	285,388
17.	First San Diego River Improvement Project	\$	202,794
18.	Gateway Center East	\$	169,780
19.	Genesee/North Torrey Pines Road	\$	425,074
20.	Hillcrest	\$	14,797
21.	Kings Row	\$	5,984
22.	La Jolla Village Drive	\$	32,443
23.	Liberty Station	\$	55,609
24.	Linda Vista	\$	150,098
25.	Mira Mesa	\$	615,243
26.	Miramar Ranch North	\$	1,073,392
27.	Mission Boulevard	\$	0.00
28.	North Park	\$	331,369
29.	Ocean View Hills	\$	564,684
30.	Otay International Center	\$	227,715

31.	Pacific Highlands Ranch	\$	121,507
32.	Park Village	\$	245,199
33.	Peñasquitos East	\$	213,558
34.	Rancho Bernardo	\$	364,422
35.	Rancho Encantada	\$	187,058
36.	Remington Hills	\$	0.00
37.	Robinhood Ridge	\$	86,168
38.	Sabre Springs	\$	96,913
39.	Scripps – Miramar Ranch	\$	854,802
40.	Stonecrest	\$	525,549
41.	Streetlight District No. 1	\$	326,987
42.	Talmadge	\$	140,139
43.	Tierrasanta	\$	623,007
44.	Torrey Highlands	\$	368,142
45.	Torrey Hills	\$	977,136
46.	University Heights	\$	36,588
47.	Washington Street	\$	39,179
48.	Webster/Federal Boulevard	\$	0.00

A statement of the assessments levied against the several lots or parcels of land as shown on the maps referred to in Section 2 above, are on file in the Office of Park and Recreation, Open Space Division;

That reference is hereby made to the Reports for a statement of the assessments upon assessable lots and parcels of land within the Districts.

Subitem-B: (R-2008-32) ADOPTED AS RESOLUTION R-302855

Resolution approving the City Engineer's Reports submitted in connection with the Maintenance Assessment Districts for Fiscal Year 2008;

That pursuant to the Landscape and Lighting Act of 1972 (California Street and Highways Code section 22500 *et seq.*), an assessment engineer has prepared and submitted written reports [Reports] on the following Maintenance Assessment Districts:

1. Bay Terrace – Honey Drive Maintenance Assessment District
2. Bay Terrace - Parkside Maintenance Assessment District
3. Bird Rock Maintenance Assessment District
4. Black Mountain Ranch North Maintenance Assessment District
5. Black Mountain Ranch South Maintenance Assessment District

6. Calle Cristobal Maintenance Assessment District
7. Camino Santa Fe Maintenance Assessment District
8. Campus Point Maintenance Assessment District
9. Carmel Mountain Ranch Maintenance Assessment District
10. Carmel Valley Maintenance Assessment District
11. Carmel Valley Neighborhood 10 Maintenance Assessment District
12. Coral Gate Maintenance Assessment District Maintenance Assessment District
13. Coronado View Maintenance Assessment District
14. Del Mar Terraces Maintenance Assessment District
15. Eastgate Technology Park Maintenance Assessment District
16. El Cajon Boulevard Maintenance Assessment District
17. First San Diego River Improvement Project Maintenance Assessment District
18. Gateway Center East Maintenance Assessment District
19. Genesee/North Torrey Pines Road Maintenance Assessment District
20. Hillcrest Maintenance Assessment District
21. Kings Row Maintenance Assessment District
22. La Jolla Village Drive Maintenance Assessment District
23. Liberty Station Maintenance Assessment District
24. Linda Vista Maintenance Assessment District
25. Mira Mesa Maintenance Assessment District
26. Miramar Ranch North Maintenance Assessment District
27. Mission Boulevard Maintenance Assessment District
28. North Park Maintenance Assessment District
29. Ocean View Hills Maintenance Assessment District
30. Otay International Center Maintenance Assessment District
31. Pacific Highlands Ranch Maintenance Assessment District
32. Park Village Maintenance Assessment District
33. Peñasquitos East Maintenance Assessment District
34. Rancho Bernardo Maintenance Assessment District
35. Rancho Encantada Maintenance Assessment District
36. Remington Hills Maintenance Assessment District
37. Robinhood Ridge Maintenance Assessment District
38. Sabre Springs Maintenance Assessment District
39. Scripps – Miramar Ranch Maintenance Assessment District
40. Stonecrest Maintenance Assessment District
41. Streetlight District No. 1 Maintenance Assessment District
42. Talmadge Maintenance Assessment District
43. Tierrasanta Maintenance Assessment District
44. Torrey Highlands Maintenance Assessment District

45. Torrey Hills Maintenance Assessment District
46. University Heights Maintenance Assessment District
47. Washington Street Maintenance Assessment District
48. Webster/Federal Boulevard Maintenance Assessment District

That the Reports submitted in connection with the Maintenance Assessment Districts and filed in the Office of the City Clerk as follows:

<u>Maintenance Assessment District</u>	<u>Document Number</u>
1. Bay Terrace – Honey Drive	RR-_____
2. Bay Terrace – Parkside	RR-_____
3. Bird Rock	RR-_____
4. Black Mountain Ranch North	RR-_____
5. Black Mountain Ranch South	RR-_____
6. Calle Cristobal	RR-_____
7. Camino Santa Fe	RR-_____
8. Campus Point	RR-_____
9. Carmel Mountain Ranch	RR-_____
10. Carmel Valley	RR-_____
11. Carmel Valley Neighborhood 10	RR-_____
12. Coral Gate	RR-_____
13. Coronado View	RR-_____
14. Del Mar Terraces	RR-_____
15. Eastgate Technology Park	RR-_____
16. El Cajon Boulevard	RR-_____
17. First San Diego River Improvement Project	RR-_____
18. Gateway Center East	RR-_____
19. Genesee/North Torrey Pines Road	RR-_____
20. Hillcrest	RR-_____
21. Kings Row	RR-_____
22. La Jolla Village Drive	RR-_____
23. Liberty Station	RR-_____
24. Linda Vista	RR-_____
25. Mira Mesa	RR-_____
26. Miramar Ranch North	RR-_____
27. Mission Boulevard	RR-_____
28. North Park	RR-_____
29. Ocean View Hills	RR-_____
30. Otay International Center	RR-_____



31.	Pacific Highlands Ranch	RR-_____
32.	Park Village	RR-_____
33.	Peñasquitos East	RR-_____
34.	Rancho Bernardo	RR-_____
35.	Rancho Encantada	RR-_____
36.	Remington Hills	RR-_____
37.	Robinhood Ridge	RR-_____
38.	Sabre Springs	RR-_____
39.	Scripps – Miramar Ranch	RR-_____
40.	Stonecrest	RR-_____
41.	Streetlight District No. 1	RR-_____
42.	Talmadge	RR-_____
43.	Tierrasanta	RR-_____
44.	Torrey Highlands	RR-_____
45.	Torrey Hills	RR-_____
46.	University Heights	RR-_____
47.	Washington Street	RR-_____
48.	Webster/Federal Boulevard	RR-_____

Subitem-C: (R-2008-33) ADOPTED AS RESOLUTION R-302856

Resolution authorizing the City Auditor and Comptroller to appropriate and expend the Maintenance Assessment Districts funds for Fiscal Year 2008.

#### **STAFF SUPPORTING INFORMATION:**

##### **REQUESTED ACTION:**

This City Council action is to establish the Fiscal Year 2008 assessments for the City's Maintenance Assessment Districts (districts) that are managed by the Park and Recreation Department.

##### **STAFF RECOMMENDATION:**

Staff recommends the City Council authorize the levy and collection of assessments within previously established districts for Fiscal Year 2008; approve the annual update to the voter-approved Assessment Engineer's Report for each district; and authorize the appropriation and expenditure of district funds for Fiscal Year 2008.

##### **EXECUTIVE SUMMARY:**

Maintenance Assessment Districts are authorized by law to assess benefiting property owners for maintenance and other service activities. These activities must provide a special benefit above the standard level of service provided by the City.

Maintenance areas include but are not limited to landscaped and paved medians, landscaped right-of-ways and slopes, open space, parks, ponds, flood control channels, monuments, decorative street lighting, decorative gates, community signage, and banners. Maintenance Assessment Districts may also provide for cleaning of curbs and gutters, sweeping sidewalks, and security services.

State law requires that the City Council annually approve each district assessment levy and Assessment Engineer's Report. The action being taken today will allow the levy to be placed on the San Diego County Property Tax roll, and will meet the legal requirements necessary for each MAD to provide the maintenance and other services as described in the Assessment Engineer's Reports. There are currently 48 active districts. The following table lists the assessment district levies for the 48 active districts included in the Proposed Fiscal Year 2008 Budget, as supported by the Fiscal Year 2008 Annual Update to the Assessment Engineer's Reports.

1. Bay Terrace – Honey Drive	\$ 10,142	25. Mira Mesa	\$ 615,243
2. Bay Terrace – Parkside	\$ 34,307	26. Miramar Ranch North	\$ 1,073,392
3. Bird Rock	\$ 137,745	27. Mission Blvd.	\$ 0.00
4. Black Mountain Ranch North	\$ 191,475	28. North Park	\$ 331,269
5. Black Mountain Ranch South	\$ 602,160	29. Ocean View Hills	\$ 564,684
6. Calle Cristobal	\$ 186,697	30. Otay International Center	\$ 227,715
7. Camino Santa Fe	\$ 240,003	31. Pacific Highlands Ranch	\$ 121,507
8. Campus Point	\$ 24,769	32. Park Village	\$ 245,199
9. Carmel Mountain Ranch	\$ 293,377	33. Peñasquitos East	\$ 213,558
10. Carmel Valley	\$ 1,735,234	34. Rancho Bernardo	\$ 364,422
11. Carmel Valley Neighborhood No. 10	\$ 182,411	35. Rancho Encantada	\$ 187,058
12. Coral Gate	\$ 99,590	36. Remington Hills	\$ 0.00
13. Coronado View	\$ 18,757	37. Robinhood Ridge	\$ 86,168
14. Del Mar Terrace	\$ 65,234	38. Sabre Springs	\$ 96,913
15. Eastgate Technology Park	\$ 136,875	39. Scripps-Miramar Ranch	\$ 854,802
16. El Cajon Boulevard	\$ 285,388	40. Stonecrest	\$ 525,549
17. First San Diego River Improvement Project	\$ 202,794	41. Streetlight District No. 1	\$ 326,987
18. Gateway Center East	\$ 169,780	42. Talmadge	\$ 140,139
19. Genesee/N. Torrey Pines Rd.	\$ 425,074	43. Tierrasanta	\$ 623,007
20. Hillcrest	\$ 14,797	44. Torrey Highlands	\$ 368,142
21. Kings Row	\$ 5,984	45. Torrey Hills	\$ 977,136
22. La Jolla Village Drive	\$ 32,443	46. University Heights	\$ 36,588
23. Liberty Station	\$ 55,609	47. Washington Street	\$ 39,179
24. Linda Vista Community	\$ 150,098	48. Webster/Federal Blvd.	\$ 0.00

FISCAL CONSIDERATIONS:

The Fiscal Year 2008 MAD budget was approved by City Council on June 11, 2007. This action refines the anticipated assessment revenue estimate for Fiscal Year 2008.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None

Each year, the City Council authorizes staff to levy assessments. The Fiscal Year 2007 approval was obtained on July 25, 2006 per City Council Resolutions R-301694 and R-301695. The Proposed Fiscal Year 2008 budget, which is the foundation for determining the assessment amounts contained within the annual update, was approved by the City Council on June 11, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

For those districts with a community advisory committee, staff presented the budget and annual assessment rates for approval during January and February of this year. These rates have been included in the annual update to the Assessment Engineer's Reports as well as property and land use changes that may impact the calculation of the assessment rate.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key stakeholders in this process are the approximately 150,000 property owners that are assessed as part of the Maintenance Assessment District program. Citizen advisory committees, which are typically subcommittees of officially recognized planning committees, town councils, or other community based organizations, are also stakeholders in this process. As required in Municipal Code Section 65.0210(a), staff has presented the budget and proposed assessment rate to those districts that have advisory committees.

If the annual update to the Assessment Engineer's Reports is not approved and the levy of assessments not authorized, existing districts will need to rely on their reserves to fund maintenance of improvements. Reserve levels vary in each district. Once reserves are depleted, maintenance activities would cease.

LoMedico/Reynolds/CB

Staff: Clay Bingham – (619) 533-6724  
Elizabeth C. Coleman – Deputy City Attorney

FILE LOCATION: STRT-M-504 FY08 (34)

COUNCIL ACTION: (Time duration: 2:19 p.m. – 2:19 p.m.  
2:35 p.m. – 2:38 p.m.)

MOTION BY ATKINS TO ADOPT. Second by Madaffer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-201: FY 2008 Assessment Levy and Update Assessment Engineer's Reports for Eight Maintenance Assessments Districts and Property Improvement Districts.

(See Adams Avenue Maintenance Assessment District; Central Commercial Maintenance Assessment District; City Heights Maintenance Assessment District; College Heights Maintenance Assessment District; Hillcrest Commercial Core Maintenance Assessment District; Little Italy Maintenance Assessment District; Downtown Property & Business Improvement District; and Newport Avenue Maintenance Assessment District Engineer's Reports. Centre City, College Area, City Heights, North Park, Ocean Beach, Southeastern, and Uptown Community Plan Areas. Districts 2, 3, 7, and 8.)

**STAFF'S RECOMMENDATION:**

Adopt the following resolutions:

Subitem-A: (R-2008-10) ADOPTED AS RESOLUTION R-302857

Approving the City Engineer's reports submitted in connection with the maintenance assessment districts for Fiscal Year 2008.

Subitem-B: (R-2008-11) ADOPTED AS RESOLUTION R-302858

Authorizing the City Auditor and Comptroller to appropriate and expend Self Managed Maintenance Assessment District and Property and Business Improvement District funds for Fiscal Year 2008.

Subitem-C: (R-2008-12) ADOPTED AS RESOLUTION R-302859

Authorizing the levy and collection of Fiscal Year 2008 annual assessments on previously established maintenance assessment districts and property and business improvement district.

**STAFF SUPPORTING INFORMATION:**

**REQUESTED ACTION:**

Approving the Assessment Engineer's Reports for each self-managed Maintenance Assessment District and Property and Business Improvement District.

Authorizing the levy and collection of assessments within previously established self-managed Maintenance Assessment Districts and Property and Business Improvement District for Fiscal Year 2008.

Authorizing the appropriation and expenditure of each self-managed Maintenance Assessment District and Property and Business Improvement District.

**STAFF RECOMMENDATION:**

Staff is recommending that the updated Assessment Engineer's Reports and the associated annual levy of assessments be authorized.

**EXECUTIVE SUMMARY:**

The purpose of self-managed Maintenance Assessment District (MAD) is identical to other MADs in which property owners assess themselves to receive enhanced maintenance, landscaping, and lighting services. Self-managed MADs differ from the City's Park & Recreation Department managed MADs in that district property owners select, by ballot, a non-profit corporation to contract for the provision of enhanced goods and services. The San Diego Municipal Code allows non-profit corporations to administer MADs when an assessment weighted majority of district property owners support the selection of a particular non-profit corporation for their district.

The Fiscal Year 2008 assessments for the City's self-managed Maintenance Assessment Districts (MADs) and Property and Business Improvement District (PBID) are each managed by various local non-profit organizations and are overseen by the Economic Development Division of the City Planning and Community Investment Department. MADs and PBIDs are authorized by law to assess benefiting property owners for maintenance and other property related activities.

These activities include maintenance of landscaped and paved medians, landscaped right-of-ways and slopes, open space, parks, ponds, flood control channels, monuments, decorative street lighting, decorative gates, signage, banners, as well as cleaning of curbs and gutters, sweeping sidewalks, provisions of security services, and monitoring.

State law requires that the City Council annually approve the assessment levy for each MAD and PBID and to update each of the districts' Assessment Engineer's Report. The resolutions associated with this action would authorize the City to place the annual assessment levy for each self-managed MAD and PBID on the FY 2008 County Property Tax roll. The resolutions also fulfill the legal requirements necessary for each self-managed MAD and PBID to provide the maintenance and other services as described in the Assessment Engineer's Reports.

The Economic Development Division currently manages seven self-managed MADs and also manages the Downtown PBID. In accordance with state law, staff is recommending that the updated Assessment Engineer's Reports and the associated annual levy of assessments be authorized.

Based on data contained in the updated Assessment Engineer's Reports, the following list provides the recommended assessment levels for each of the seven self-managed MADs and PBID in FY 2008.

<u>District</u>	<u>Assessment District Levy</u>
1. Adams Avenue MAD	\$ 50,200
2. Central Commercial MAD	\$ 218,536
3. City Heights MAD	\$ 302,095
4. College Heights MAD	\$ 274,189
5. Hillcrest Commercial Core MAD	\$ 89,950
6. Little Italy MAD	\$ 735,489
7. Newport Avenue MAD	\$ 55,812
8. Downtown PBID	\$ 5,815,464
<b>Total</b>	<b>\$ 7,541,735</b>

This action authorizes approval of the Fiscal Year 2008 Assessment Engineer's Reports, and authorizes the levy and collection of assessments for the above MADs and PBID.

#### FISCAL CONSIDERATIONS:

This action refines the anticipated assessment revenue estimate for Fiscal Year 2008. The annual MAD and PBID assessment for City owned property for Fiscal Year 2008 is \$312,370.02

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Each year, the City Council authorizes staff to levy assessments and update the assessment Engineer's Reports. The Fiscal Year 2007, approval was obtained on August 8, 2006, per City Council Resolutions R-301834, R-301835 and R-301836.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The managing non-profits meet with the property owners within each respective on a continual basis.

KEY STAKEHOLDERS & PROJECTED IMPACTS (if applicable):

Key stakeholders are the business community and the property owners within the self-managed districts.

Waring/Anderson/LO

**NOTE:** This activity is not a project and therefore not subject to CEQA pursuant to the State CEQA Guidelines Section 15060(c)(3).

Staff: Luis E. Ojeda – (619) 236-6475  
Elizabeth C. Coleman – Deputy City Attorney

FILE LOCATION: STRT-M-510 FY08 (34)

COUNCIL ACTION: (Time duration: 2:20 p.m. – 2:22 p.m.)

MOTION BY HUESO TO ADOPT. Second by Madaffer. Passed by the following vote:  
Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea,  
Madaffer-yea, Hueso-yea.

ITEM-202: Annual Special Tax Levy – Community Facilities Districts No. 1 (Miramar Ranch North), Community Facilities District No. 2 (Santaluz) – Improvement Areas 1, 3, and 4, Community District No. 3 (Liberty Station), and Community Facilities Districts No. 4 (Black Mountain Ranch Villages).

(Black Mountain Ranch, Peninsula, and Miramar Ranch North Community Areas. Districts 1, 2, and 5.)

**STAFF'S RECOMMENDATION:**

Adopt the following resolutions:

Subitem-A: (R-2007-1314) ADOPTED AS RESOLUTION R-302860

Adoption of a Resolution of the City Council acting as the legislative body of Community Facilities District No. 1 (Miramar Ranch North) authorizing the Levy of Special Taxes for Fiscal Year 2007/2008.

Subitem-B: (R-2007-1315) ADOPTED AS RESOLUTION R-302861

Adoption of a Resolution of the City Council acting as the legislative body of Community Facilities District No. 2 (Santaluz) authorizing the Levy of Special Taxes within Improvement Area No. 1, Improvement Area No. 3, and Improvement Area No. 4, for Fiscal Year 2007/2008.

Subitem-C: (R-2007-1316) ADOPTED AS RESOLUTION R-302862

Adoption of a Resolution of the City Council acting as the legislative body of Community Facilities District No. 3 (Liberty Station) authorizing the Levy of Special Taxes within Improvement Area No. 1 and Improvement Area No. 2, for Fiscal Year 2007/2008.

Subitem-D: (R-2007-1317) ADOPTED AS RESOLUTION R-302863

Adoption of a Resolution of the City Council acting as the legislative body of Community Facilities District No. 4 (Black Mountain Ranch Villages) authorizing the Levy of Special Taxes for Fiscal Year 2007/2008.



**STAFF SUPPORTING INFORMATION:**

**REQUESTED ACTION:**

City Council adoption of resolutions authorizing the annual levy of special taxes within CFD No. 1 (Miramar Ranch North)("CFD No. 1"), CFD No. 2 (Santaluz) - Improvement Areas 1, 3, and 4 ("CFD No. 2"), CFD No. 3 (Liberty Station)("CFD No. 3"), and CFD No. 4 (Black Mountain Ranch Villages)("CFD No. 4").

**STAFF RECOMMENDATION:**

Staff recommends adoption of the resolutions.

**EXECUTIVE SUMMARY:**

The City Council has previously adopted resolutions and ordinances that established CFD No. 1, CFD No. 2, CFD No. 3, and CFD No. 4 (the "Districts"). Among other things, these previous actions: authorized the issuance of limited obligation special tax bonds to finance the construction and acquisition of public infrastructure serving the Districts and/or communities impacted by development associated with the Districts; authorized the levy of a special tax to pay principal, interest and other periodic costs with respect to the bonds and/or to pay directly for the costs of authorized facilities; and approved the Rate and Method of Apportionment of Special Taxes, which is the formula used to determine the amount of special tax to be levied on taxable parcels within each District. In addition, for those districts in which special tax bonds have been issued, the City Council, acting as the legislative body of each district, has specifically covenanted to levy the associated special tax in an amount sufficient to meet the applicable defined special tax requirement. Pursuant to the Mello-Roos *Community Facilities Act* of 1982, the City Council must provide for the annual levy of special taxes by adopting a resolution and filing a certified list of all parcels subject to the special tax levy with the county auditor on or before August 10 of each tax year. Prior to such date, City staff confirms the parcels to be levied with the County's equalized tax roll, which is produced on or around July 1 of each year, as the special taxes are billed and collected by the County of San Diego in the same manner as ordinary ad valorem property taxes.

This City Council action would approve the Fiscal Year 2008 special tax rates and total amount of special taxes to be levied and collected on taxable property within the boundaries of the Districts. The special taxes are calculated in accordance with each District's Rate and Method of Apportionment of Special Taxes, and the Fiscal Year 2008 special tax rates are generally consistent with previous years, with the exception of CFD No. 2.

Pursuant to the taxing formula for CFD No. 2, the assigned special tax rates are subject to a programmed 2% increase. However, for Improvement Areas 1 and 3, the tax rates have been reduced from the assigned rates, reflecting a proportional reduction in the amounts required to be levied to meet the Special Tax Requirement, as defined in the applicable Rate and Method of Apportionment. Special taxes to be levied against taxable parcels of land within each District for the upcoming fiscal year are reflected in the reports submitted herewith.

As the special taxes for CFD No. 1, CFD No. 2, and CFD No. 3 are designated primarily to make debt service payments on each of the Districts special tax bonds, should this action not be approved, insufficient funds would be available to meet the annual debt service obligations related to the Districts. As stated above, the City Council acts as the legislative body of each district and through the bond issuance process has specifically covenanted to levy the associated special taxes to pay the debt service on the bonds.

FISCAL CONSIDERATIONS:

Pursuant to the Rate and Method of Apportionment of Special Taxes for each District, monies received in the form of special taxes will be used to pay debt service on each District's outstanding bonds, if any, and/or pay directly for public facilities, maintain the appropriate balance in the reserve fund for each District, if any, and pay costs incurred by the City in administering the Districts. The anticipated total levy amount for Fiscal Year 2008 for each of the Districts follows:

CFD No. 1 - \$4.2 million  
CFD No. 2 Improvement Area 1 - \$4.6 million  
CFD No. 2 Improvement Area 3 - \$330,000  
CFD No. 2 Improvement Area 4 - \$750,000  
CFD No. 3 - \$1.45 million  
CFD No. 4 - \$775,000

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Each year since inception of the Districts, the special tax levies have been presented to the City Council for approval, in accordance with the Mello-Roos Community Facilities Act of 1982. Special taxes were first levied within each of the Districts as follows:

CFD No. 1 (Fiscal Year 1993), CFD No. 2 - Improvement Areas 1 and 3 (Fiscal Year 2002), Improvement Area 4 (Fiscal Year 2004), CFD No. 3 (Fiscal Year 2004) and CFD No. 4 (Fiscal Year 2004).

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None required.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

- Investors who hold the associated bonds of each District who will receive principal and interest payments on the bonds payable from the special taxes.
- Property owners within each of the Districts (an aggregate of approximately 5,000) who are responsible for payment of the associated special taxes.
- Certain developers who will be reimbursed from special tax proceeds for the costs of constructing certain public facilities.

Kommi/Goldstone/EK

Staff: Elizabeth Kelly – (619) 236-6932  
Mark D. Blake – Chief Deputy City Attorney

FILE LOCATION: STRT-CF-05 (58)

COUNCIL ACTION: (Time duration: 2:23 p.m. – 2:23 p.m.)

MOTION BY HUESO TO ADOPT. Second by Peters. Passed by the following vote:  
Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea,  
Madaffer-yea, Hueso-yea.

**NOTE:** Item 203, which relates to the hearing for the tabulation of ballots and formation of the assessment district, should be considered first by the City Council. If the assessment district is not formed, then Item 204, the set of actions associated with the undergrounding district formation, should not be heard and should be returned to staff.

ITEM-203: La Jolla Mesa Vista Underground Utility Assessment District No. 4098. In the matter of adopting one of three proposed resolutions pending Assessment Ballot tabulation.

(See Report to the City Council No. 07-094. La Jolla Community Plan Area.  
District 2.)

**NOTE:** First Hearing was held on June 5, 2007.

**STAFF'S RECOMMENDATION:**

Adopt one of the following resolutions in Subitem A, or Subitem B, or Subitem C:

Subitem-A: (R-2008-47) ADOPTED AS RESOLUTION R-302864

Adoption of a Resolution declaring the results of the assessment ballot tabulation, confirming the assessment, ordering the construction of improvements, together with appurtenances, and approving the Engineer's Report.

**or**

Subitem-B: (R-2008-48) NOTED AND FILED

Adoption of a Resolution declaring the results of the assessment ballot tabulation, determining the existence of a majority protest to the levy of assessments and ordering the abandonment of proceedings to form an assessment district and levy assessments therein.

**or**

Subitem-C: (R-2008-49) NOTED AND FILED

Adoption of a Resolution declaring the results of the assessment ballot tabulation and ordering the abandonment of proceedings to form an assessment district and levy assessments therein.

**STAFF SUPPORTING INFORMATION:**

**REQUESTED ACTIONS:**

Adopt one of three resolutions included with this item, depending on the outcome of the ballot and public hearing process regarding the establishment of Assessment District No. 4098 (La Jolla Mesa Vista Underground Utility assessment district).

**STAFF RECOMMENDATION:**

Adopt one of three resolutions included with this item, depending on the outcome of the assessment ballot and public hearing process regarding the establishment of Assessment District No. 4098 (La Jolla Mesa Vista Underground Utility Assessment District). If, upon conclusion of the assessment ballot process, there is a majority protest, adopt the resolution declaring a majority protest and abandoning the proceedings to form the assessment district.

If there is a lack of majority protest the City Council may use its discretion to either adopt the resolution declaring that a majority protest does not exist, approving the formation of the district and confirming the assessments, or the City Council may adopt the resolution declaring that a majority protest does not exist, and ordering the abandonment of the proceedings to form the district.

EXECUTIVE SUMMARY: (Also See Report to City Council No. 07-094, Attachment 1)

Certain property owners within the La Jolla Mesa Vista ("LJMV") neighborhood expressed interest in forming a special assessment district (the "LJMV District") under the Municipal Improvement Act of 1913 (the "1913 Act") wherein they would pay for the cost to underground their utilities by means of special assessments. In May 2006, a petition signed in favor of property owners representing 77% of the land area proposed to be assessed was filed with the City requesting that the City initiate formation proceedings under the 1913 Act on behalf of such property owners. The petition results exceed the 75% level required by Council Policy 800-03. If an assessment district is formed, the City may levy assessments that can be utilized to directly fund the undergrounding of overhead utility lines. Pursuant to the 1913 Act, the San Diego Improvement District Procedural Ordinance, and other applicable provisions of state law, the assessments that are levied upon each parcel must be based upon the direct and special benefit received by the property.

As required by the 1913 Act and other applicable provisions of state law, the City hired a registered professional engineer certified by the State of California, Bureau Veritas North America, Inc., to prepare the Preliminary Engineer's Report for the proposed LJMV District. The Preliminary Engineer's Report contains the plans and specifications for the improvements, an estimate of the costs of the improvements and incidental expenses (i.e., design costs and district formation costs), a diagram of the boundaries of the proposed LJMV District, and the apportionment of the total assessment to the parcels within the district, based on the special benefit each parcel would receive from the improvements.

Since the time that the Preliminary Engineer's Report was submitted, Bureau Veritas North America, Inc. determined that two parcels that will be receiving the full benefit were previously proposed to be assessed at the cost of a reduced benefit. The two property owners whose property would be assessed an increased amount have been notified, have been mailed new assessment ballots with the higher assessment amount, and have signed waivers under which they have waived the minimum 45 day notice of the proposed increase in the assessment as required pursuant to Proposition 218. The assessments for the remaining 54 of the 56 properties included in the LJMV District will decrease and, therefore, a re-mailing of those assessment ballots is not required. The new assessment amounts are reflected in the Final Engineer's Report, submitted herewith (Attachment 3).

000090

On June 5, 2007, the City council adopted four resolutions relating to the formation of the proposed LJMVDistrict. Through the adoption of such resolutions the City Council:

(1) accepted the petition from property owners in the LJMVDistrict neighborhood to initiate special assessment proceedings; (2) approved the boundary map for the proposed district; (3) declared the intention to underground utilities in the proposed district; and (4) preliminarily approved the Engineer's Report. The actions also established the date of the public hearing as July 23, 2007 and provided for the mailing of a Notice of Public Hearing and Assessment Ballot to affected property owners. (See Attachment 2, Notice of Public Hearing and sample Assessment Ballot.)

At the July 23, 2007 public hearing, the City Council will receive public testimony and will then declare the public hearing closed, at which time the City Clerk would tabulate the returned assessment ballots. The proceedings will be terminated by assessment ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which assessment ballots have been returned. If there is no majority protest, the City Council may adopt the resolution establishing the assessment district. However, even if there is no majority protest, the City Council retains final discretion in authorizing formation of the district.

FISCAL CONSIDERATIONS:

The estimated total project cost is \$1,070,412. In accordance with City Council Policy 600-08, the City Council has previously allocated \$380,000 towards the project. The 56 LJMVDistrict property owners within the proposed district will bear the remaining costs of the project, estimated at \$690,412. These costs will be apportioned to each property pursuant to the benefit apportionment methodology contained in the Engineer's Report. Based on the Engineer's Report, the average assessment per parcel would be approximately \$12,400.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Cost sharing allocations (R-300051, January 11, 2005 and R-300572, June 21, 2005). Acceptance of Petition to Form LJMVDistrict (R-302706, June 6, 2007); Adopting Map of Proposed Boundaries of LJMVDistrict (R-302707, June 6, 2007); Resolution of Intention to Underground Utilities in Proposed LJMVDistrict (R-302708, June 6, 2007); and Resolution Preliminarily Approving Engineer's Report (R-302709, June 6, 2007).

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On January 4, 2006 and January 25, 2007, the Underground Program Manager and Debt Management, respectively, sent letters providing information regarding the project and the proceedings to all affected property owners.

The Underground Program Manager also later met with the community at two different locales and times to provide information and answer questions. On May 25, 2007 and July 10, 2007, Debt Management sent additional informational letters to the LJM property owners. (Attachment 4)

**KEY STAKEHOLDERS & PROJECTED IMPACTS:**

Property owners within the proposed LJM District. Business entities involved include Bureau Veritas North America, Inc. (Assessment Engineer) and Best, Best and Krieger LLP (Outside Legal Counsel).

Goldstone/Kommi/Haas/Boekamp

**NOTE:** This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15302(d), and Public Utilities Commission General Order 131-D, dated August 11, 1995.

Staff: Chuck Wilcox – (619) 533-4519  
Elizabeth Kelly – (619) 236-6932  
Mark D. Blake – Chief Deputy City Attorney

**LEGAL DESCRIPTION:**

The proposed project would affect Lamplight Drive, Moonlight Lane, and Candlelight Drive all of which would be located in the developed public right of way. The proposed project is located in the La Jolla Community Plan.

**NOTE:** See Item 204 on today's docket for a companion item.

**FILE LOCATION:** STRT-K-328 (38)

**COUNCIL ACTION:** (Time duration: 2:08 p.m. – 2:18 p.m.  
3:36 p.m. – 4:10 p.m.)

Council President Peters opened the hearing.

Testimony in favor by Charles Mittman.

Testimony in opposition by Tom Jackson, Susan Blum, and Tiffany Torgan.

Council President Peters closed the hearing and directed the City Clerk Elizabeth Maland to tabulate the ballots.

City Clerk Elizabeth Maland announced that the election has been conducted according to the assessment proceedings. The ballots in favor exceed the ballots in opposition with a weighted majority vote in favor, and the proposed formation of the La Jolla Vista Mesa Underground Utility Assessment District No. 4098 has passed. City Clerk Elizabeth Maland certified the results and submitted them to the City Council.

MOTION BY FAULCONER TO ADOPT THE RESOLUTION IN SUBITEM A AND TO NOTE AND FILE SUBITEMS B AND C. REFER SUBITEM A TO THE LAND USE AND HOUSING COMMITTEE FOR FURTHER REVIEW. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-nay, Maienschein-not present, Frye-nay, Madaffer-yea, Hueso-yea.

ITEM-204: La Jolla Mesa Vista Underground Utility District. In the matter of the formation of an *Underground Utility District*, Council's action is on a resolution setting the date and time for a public hearing.

(La Jolla Community Plan Area. District 2.)

**STAFF'S RECOMMENDATION:**

Adopt the following resolution:

(R-2007-1208 Cor. Copy) ADOPTED AS RESOLUTION R-302865

Adoption of a Resolution calling for a public hearing to determine whether the public health, safety, or general welfare requires the formation of underground utility districts for the La Jolla Mesa Vista Community Planning Area.

**STAFF SUPPORTING INFORMATION:**

**REQUESTED ACTIONS:**

**At July 23, 2007 Council Hearing:**

1. Set a date for a public hearing date of September 10, 2007 to consider creating an Underground Utility District (District); and



2. Authorizing a \$380,000 increase in the Fiscal Year 2008 Capital Improvements Program Budget in CIP-37-027.0, La Jolla Mesa Vista Underground Utilities Assessment District, Fund 30101, Underground Surcharge Fund; providing the City Auditor and Comptroller first certifies with one or more certificates that the funds are or will be on deposit with the City Treasurer; and
3. Authorizing the transfer of \$380,000 from CIP-370280, Annual Allocation Undergrounding City Utilities to CIP-37-027.0, La Jolla Mesa Vista Underground Utilities Assessment District, within Fund 30101, Underground Surcharge Fund; and
4. Authorizing the City Auditor and Comptroller to appropriate and expend \$380,000 from CIP-37-027.0, La Jolla Mesa Vista Underground Utilities Assessment District, Fund 30101, Underground Surcharge Fund for the purpose of utility undergrounding and associated activities as described in the Engineers Report for La Jolla Mesa Vista Underground Utility Assessment District No. 4098; and
5. Authorizing the Mayor to accept \$10,000 from the La Jolla Mesa Vista Homeowners Association for the purpose of funding the proposed formation of the La Jolla Vista Mesa Underground Utility Assessment District and;
6. Authorizing a \$10,000 increase in the Fiscal Year '08 Capital Improvements Program Budget in CIP-37-027.0, La Jolla Mesa Vista Assessment District, in Fund 63022, Private and Other Contributions.
7. Authorizing the City Auditor and Comptroller to appropriate and expend \$10,000 from CIP-37-027.0, La Jolla Mesa Vista Assessment District, Fund 63022, Private and Other Contributions, for the purpose of the undergrounding utilities project, and transfer excess funds, if any, to the appropriate reserves.

**At September 10, 2007 Council Hearing:**

1. Hold Noticed Public Hearing and Create said District;

STAFF RECOMMENDATION:

Adopt the requested actions.

EXECUTIVE SUMMARY:

On June 5, 2007, the City Council passed Resolutions initiating proceedings to form the proposed La Jolla Mesa Vista Undergrounding Utilities Assessment District and the commencement of an assessment ballot procedure. The Council passed a Resolution which set a public hearing date of July 23, 2007 for formation of the proposed assessment district. Should the proposed *Assessment District* be formed, it is recommended that the Council consider the formation of an *Underground Utility District* at a future public hearing. These actions would set a date for a public hearing to consider creation of an *Underground Utility District*. The creation of an Underground Utility District is not a necessary action in order to consider creation of the Assessment District. Underground Utility Districts require the removal of overhead utilities and prohibits future overhead utilities within said Districts.

In addition, the Council has previously expressed its desire to cost share \$380,000 from the Underground Surcharge Fund as part of the FY 2005 and FY 2006 Annual Allocation of Undergrounding Projects.

These actions would provide the necessary appropriations of those funds to the La Jolla Mesa Vista project concurrent with the creation of the Assessment District.

In accordance with San Diego Municipal Code (SDMC), Chapter 6, Article 1, Division 5, *Underground Utilities Procedural Ordinance* these actions will create the La Jolla Mesa Vista Underground Utility District and will underground all overhead utilities within the designated District.

The formation of this district will require by Ordinance the removal and/or underground conversion of certain overhead power and communications wires with poles within the established boundary, replacement of street lighting and street restoration.

The expense of the underground installation and removal of overhead facilities within the right-of-way (street and sidewalk area) will be the responsibility of the utility companies in accordance with California Public Utilities Commission (CPUC) Rules and Tariffs and will be financed through the proposed La Jolla Mesa Vista Assessment District No. 4098 and a cost sharing component of the City of San Diego of \$380,000 from the Underground Surcharge Fund (30100), per Council Resolutions R-300051 and R-300572.

By Ordinance, creation of this Underground Utility District will require all property owner(s) within said District to perform all necessary trenching and other related work to convert their property to receive electrical, telecommunication and cable television from an underground service, including all necessary permits and compliance with minimum conformance as outlined in the SDMC Chapter 14, Article 6, Division 2. Namely, that their electrical panels: (1) are dead front operated, (2) have a grounding rod; (3) have appropriate operating clearances; and (4) are sufficient load capacity.

#### FISCAL CONSIDERATIONS:

The estimated construction cost of \$1,070,412 for work within the public right-of-way, will be financed through the proposed La Jolla Mesa Vista Assessment District No. 4098 and a cost sharing component of the City of San Diego of \$380,000 from the Underground Surcharge Fund (30100), per Council Resolutions R-300051 and R-300572. Property owners are solely responsible for all work on private property necessary to convert their property to underground utility systems.

PREVIOUS COUNCIL COMMITTEE ACTION:

1. Allocation of Underground Conversion Projects for Fiscal Year 2005, Resolution R-300051, January 11, 2005, Managers Report 05-001, provided for \$280,000 in cost sharing for the LJMV project.
2. Allocation of Underground Conversion Projects for Fiscal Year 2006, Resolution R-300572, June 21, 2005, Managers Report 05-149, provided for \$100,000 in cost sharing for the LJMV project.
3. Approved City Council Resolutions of June 5, 2007 initiating proceedings to form the proposed La Jolla Mesa Vista Undergrounding Utilities Assessment District and setting a public hearing date of July 23, 2007 for formation of the proposed assessment district, and the commencement of the assessment ballot procedure.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

LJMV property owner representatives have worked with Engineering & Capital Projects/ Undergrounding Program staff to coordinate with the various utilities to define the project and estimate the costs. At the request of district proponents, Debt Management staff and the City Attorney's Office helped formulate the Petition that was circulated by a primary district proponent.

In addition, the Underground Program Manager and the Debt Management Department sent letters to the LJMV property owners providing information regarding the project and the proceedings being undertaken by the City to consider the formation of the district and the levy of assessments on properties for the purpose of undergrounding the overhead utility lines.

At the point the Petition was prepared and distributed to the community, the Underground Program Manager met with the community at two different locales and times, both at resident's homes, one during the day and one in the evening, to provide information and answer questions regarding the underground process and information regarding the assessment district formation process.

KEY STAKEHOLDERS:

Property owners within the proposed La Jolla Mesa Vista Underground Utility Assessment District. Business entities involved in the formation of the proposed assessment district include Bureau Veritas North America, Inc. (Assessment Engineer) and Best, Best and Krieger LLP (Outside Legal Counsel).

Haas/Oskoui/NB

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for the Regular Meeting of Monday, July 23, 2007

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**NOTE:** This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15302(d), and Public Utilities Commission General Order 131-D dated August 11, 1995.

Aud. Cert. 2700849

Staff: Nathan Bruner (619) 533-3777  
Peter A. Mesich – Deputy City Attorney

**NOTE:** See Item 203 on today's docket for a companion item.

FILE LOCATION: STRT-K-328 (38)

COUNCIL ACTION: (Time duration: 4:10 p.m. – 4:12 p.m.)

MOTION BY FAULCONER TO ADOPT. Second by Madaffer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-nay, Maienschein-not present, Frye-nay, Madaffer-yea, Hueso-yea.

ITEM-205: Fiscal Year 2008 Appropriation Ordinance.

(See Draft FY 2008 Appropriation Ordinance; Council President Peters' and Councilmember Hueso's joint memo dated 7/10/2007; FY 2008 Appropriation Ordinance Power Point; Statement of FY 2008 Budgetary Principles.)

**TODAY'S ACTION IS:**

HEARING HELD:

An Ordinance approving the Fiscal Year 2008 Annual Appropriations Ordinance (draft attached which incorporates the changes recommended by the Budget and Finance Committee on July 11, 2007);

Directing the City Attorney to prepare the Appropriations Ordinance in final form for adoption on July 30, 2007.

or

Authorizing all actions necessary to prepare the Appropriations Ordinance in final form for adoption by the City Council on July 30, 2007.

**NOTE:** This item is not subject to Mayor's veto.

**BUDGET AND FINANCE COMMITTEE'S RECOMMENDATION:**

On July 11, 2007, Budget and Finance Committee voted as follows:

Recommend that the City Council adopt the July 11, 2007, draft of the Statement of FY 2008 Budgetary Principles, including Service Reduction Criteria.  
(Councilmembers Atkins, Faulconer, Peters, and Madaffer voted yea. Councilmember Frye voted nay.)

Recommend that the City Council adopt the FY 2008 Appropriation Ordinance, with the following changes:

1. In Section IV (F) (4), Facilities Benefit Assessment Funds and Development Impact Fee Funds, insert "and necessary" between "sufficient" and "amount".  
(Councilmembers Atkins, Faulconer, Peters, Madaffer, and Frye voted yea.)
2. Request that the Chief Financial Officer, Independent Budget Analyst, and City Attorney review Section V Enterprise Funds and recommend whether or not to include qualifying language similar to that adopted with respect to Facilities Benefit Assessment Funds and Development Impact Fee Funds in No. 1, above.  
(Councilmembers Atkins, Faulconer, Peters, Madaffer, and Frye voted yea.)

**BUDGET AND FINANCE COMMITTEE'S RECOMMENDATION: (Continued)**

3. Incorporate language of the July 10, 2007, Council President Peters' and Councilmember Hueso's memorandum regarding litigation expenses, deleting the title.  
(Councilmembers Atkins, Peters, and Madaffer voted yea. Councilmembers Frye and Faulconer voted nay.)

**SUPPORTING INFORMATION:**

The Fiscal Year 2008 Budget was prepared and submitted to the City Council by the Mayor. The City Council approved the budget on June 20, 2007. The Fiscal Year 2008 Budget is the basis for the development of the Annual Appropriation Ordinance (Ordinance). The Ordinance provides the legal authority for expenditure of the budget and is required by City Charter Section 71. Section 71 also provides the Ordinance shall be subject to two public hearings and must be adopted during the month of July. The first hearing before City Council is scheduled for July 23, 2007, the second on July 30, 2007. The Ordinance is not subject to Mayor veto as prescribed in City Charter Sections 280(a) (4) and 290(d).

**FISCAL CONSIDERATIONS:** The Fiscal Year 2008 Appropriation Ordinance appropriates the Fiscal Year 2008 Budget.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:** Budget and Finance Committee meeting July 11, 2007.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:** None.

**KEY STAKEHOLDERS & PROJECTED IMPACTS:** None.

Lewis/Levin/Goldstone

**NOTE:** Today's action is the first public hearing. See the docket of Monday, July 30, 2007, for the second public hearing and the introduction and adoption of the ordinance.

**FILE LOCATION:** NONE

**COUNCIL ACTION:** (Time duration: 2:39 p.m. – 3:36 p.m.)

MOTION BY ATKINS TO REFER CITY ATTORNEY'S MEMORANDUM OF LAW TO THE STATE ATTORNEY GENERAL FOR RESPONSE AND BRING BACK ITEM FOR INTRODUCTION AND ADOPTION ON MONDAY, JULY 30, 2007. Second by Faulconer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-206: Statement of Fiscal Year 2008 Budgetary Principles.

(See Independent Budget Analyst Report No. 07-73.)

**INDEPENDENT BUDGET ANALYST'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-74) ADOPTED AS RESOLUTION R-302881

Adopting the Statement of Budgetary Principles with respect to administration by the Mayor of the Fiscal Year 2008 Budget.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 4:19 p.m. – 4:53 p.m.)

MOTION BY MADAFFER TO ADOPT. Second by Faulconer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-nay, Madaffer-yea, Hueso-yea.

ITEM-250: Notice of Pending Final Map Approval – Bay View Villas.

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled “Bay View Villas” (T.M. No. 127699/PTS No. 100660), located on the east side of Mission Boulevard between Pismo Court and Queenstown Court in the Mission Beach Community Plan Area in Council District 2, a copy of which is available for public viewing at the Office of the San Diego City Clerk. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this Notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Anne Hoppe at (619) 446-5290.



ITEM-251: **Notice of Pending Final Map Approval – 3603-13 State Street Condominiums.**

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled "3603-13 State Street Condominiums" (T.M. No. 92651/PTS No. 116075), located on State Street north of Walnut Avenue in the Uptown Community Plan Area in Council District 2, a copy of which is available for public viewing at the Office of the San Diego City Clerk. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this Notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Anne Hoppe at (619) 446-5290.

ITEM-252: **Notice** of Pending Final Map Approval – 4146 Hamilton Street Condominiums.

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled "4146 Hamilton Street Condominiums" (T.M. No. 217327/PTS No. 108790), located on the west side of Hamilton Street between Howard Avenue and Polk Avenue in the Greater North Park Community Plan Area in Council District 3, a copy of which is available for public viewing at the Office of the San Diego City Clerk. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this Notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Anne Hoppe at (619) 446-5290.

**ITEM-253: Notice of Pending Final Map Approval – Florida Gardens.**

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled "Florida Gardens" (T.M. No. 237921/PTS No. 112387), located on the west side of Florida Street between El Cajon Boulevard and Howard Avenue in the Greater North Park Community Plan Area in Council District 3, a copy of which is available for public viewing at the Office of the San Diego City Clerk. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this Notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Anne Hoppe at (619) 446-5290.

ITEM-254: Notice of Pending Final Map Approval – 3786 43<sup>rd</sup> Street.

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled “3786 43<sup>rd</sup> Street” (T.M. No. 275227/PTS No. 111780), located on the west side of 43<sup>rd</sup> Street between Wightman Street and Landis Street in the Mid-City: City Heights Community Plan Area in Council District 3, a copy of which is available for public viewing at the Office of the San Diego City Clerk. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this Notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Anne Hoppe at (619) 446-5290.

ITEM-255: Notice of Pending Final Map Approval – Sunset Pointe.

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled "Sunset Pointe" (T.M. No. 11750/PTS No. 122123), located southwesterly of Sorrento Valley Road and Camino Santa Fe in the Mira Mesa Community Plan Area in Council District 5, a copy of which is available for public viewing at the Office of the San Diego City Clerk. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this Notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Anne Hoppe at (619) 446-5290.

ITEM-256: SUBMISSION OF BALLOT PROPOSALS

City Council Policy 000-21 establishes the procedure for submittal of ballot proposals. The Council Policy states that members of the public shall submit proposals to the City Clerk, who shall then transmit them promptly to the Rules Committee for review and comment. The proposals must be submitted in time to allow the City Clerk to list on the Council Docket 127 days prior to the election the ballot proposals which have been referred to Council following Rules Committee review.

Therefore, the City Clerk's Office has established the following administrative guidelines for the February 5, 2008 election:

<u>DAY</u>	<u>DATE</u>	<u>DAYS BEFORE ELECTION</u>	<u>EVENT</u>
Friday	9/14/2007	144	LAST DATE (10:00 a.m.) for public, departments, and agencies to submit ballot proposals to City Clerk for review by Rules Committee
Wednesday	9/19/2007	139	Rules Committee review
Monday	9/24/2007	134	Council Docket (PUBLIC NOTICE) lists proposals referred by Rules Committee ( <i>NB: E-127 is 10/1/2007, a legislative recess</i> )
Monday	10/8/2007	120	Council adopts propositions for ballot; directs City Attorney to prepare ordinances
Monday	10/29/2007	99	Council adopts ordinances prepared by City Attorney
Friday	11/9/2007	88	Last day for City Clerk to file with Registrar of Voters all elections material
Monday	11/26/2007	71	Last day to file ballot arguments with City Clerk

If you have questions, please contact the Office of the City Clerk at (619) 533-4025.

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REPORT OUT OF CLOSED SESSION:

None.

NON-DOCKET ITEMS:

None.

ADJOURNMENT:

The meeting was adjourned by Council President Peters at 4:53 p.m.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 4:53 p.m. – 4:53 p.m.)

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Elizabeth S. Maland, City Clerk  
City of San Diego

THE CITY OF SAN DIEGO, CALIFORNIA  
MINUTES FOR REGULAR COUNCIL MEETING  
OF  
TUESDAY, JULY 24, 2007  
AT 9:00 A.M.  
IN THE COUNCIL CHAMBERS - 12TH FLOOR

CHRONOLOGY OF THE MEETING:

The meeting was called to order by Council President Peters at 10:01 a.m. Council President Peters recessed the meeting at 11:20 a.m. for the purpose of a break. Council President Peters reconvened the meeting at 11:25 a.m. with Council Member Maienschein not present. The meeting was recessed by Council President Peters at 11:58 a.m. to reconvene at 2:00 p.m.

The meeting was reconvened by Council President Peters at 2:03 p.m. with Council Member Madaffer and Council Member Maienschein not present. Council President Peters recessed the meeting at 3:22 p.m. for the purpose of a break. Council President Peters reconvened the meeting at 3:28 p.m. with Council Member Maienschein not present. Council President Peters recessed the regular meeting at 3:31 p.m. to convene the Housing Authority. Council President Peters reconvened the regular meeting at 4:58 p.m. with Council Member Atkins and Council Member Maienschein not present. Council President Peters recessed the regular meeting at 4:59 p.m. to reconvene the Housing Authority. Council President Peters reconvened the regular meeting at 5:04 p.m. with Council Member Maienschein not present. Council President Peters recessed the regular meeting at 5:05 p.m. to reconvene the Housing Authority. Council President Peters reconvened the regular meeting at 5:07 p.m. with Council Member Maienschein not present. The meeting was adjourned by Council President Peters at 5:10 p.m.

ATTENDANCE DURING THE MEETING:

- (1) Council Member Peters-present
- (2) Council Member Faulconer-present
- (3) Council Member Atkins-present
- (4) Council Member Young-present
- (5) Council Member Maienschein-not present



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- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Hueso-present
- Clerk-Maland (dlc/sr)

FILE LOCATION: MINUTES

ITEM-300: ROLL CALL

Clerk Maland called the roll:

- (1) Council Member Peters-present
- (2) Council Member Faulconer-present
- (3) Council Member Atkins-present
- (4) Council Member Young-present
- (5) Council Member Maienschein-not present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Hueso-present

NON-AGENDA COMMENT:

PUBLIC COMMENT-1:

Linda Warr commented on homelessness.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:26 a.m. – 10:29 a.m.)

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**PUBLIC COMMENT-2:**

Don Stillwell commented on prayer and the flag salute.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:29 a.m. - 10:31 a.m.)

**PUBLIC COMMENT-3:**

Hud Collins commented on the Iraq war.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:31 a.m. - 10:34 a.m.)

**PUBLIC COMMENT-4:**

Al Strohlein commented on alcohol in Pacific Beach.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:36a.m. - 10:37 a.m.)

**PUBLIC COMMENT-5:**

Verne Gammon commented on the history of San Diego.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:37 a.m. - 10:41 a.m.)

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PUBLIC COMMENT-6:

Katheryn Rhodes presented a video on the Navy Broadway Complex.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:42 a.m. - 10:45 a.m.)

PUBLIC COMMENT-7:

Ron Boshun commented on Council actions.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:45 a.m. - 10:48 a.m.)

PUBLIC COMMENT-8:

Jarvis Ross commented on elections.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:48 a.m. - 10:51 a.m.)

PUBLIC COMMENT-9:

Phil Hart commented on the Sunroad project.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:51 a.m. - 10:54 a.m.)

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PUBLIC COMMENT-10:

Elinor Rector commented on the Iraq war.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:54 a.m. - 10:57 a.m.)

PUBLIC COMMENT-11:

Joy Sunyata commented on City government.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:57 a.m. - 11:00 a.m.)

PUBLIC COMMENT-12:

Joanna Lang commented on the Falun Gong exercise program.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:00 a.m. - 11:03 a.m.)

PUBLIC COMMENT-13:

Daniel Coffey commented on the waiver pertaining to the waste treatment facility in Point Loma.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:03 a.m. - 11:06 a.m.)

PUBLIC COMMENT-14:

Linda Smith commented on housing concerns.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:07 a.m. - 11:08 a.m.)

PUBLIC COMMENT-15:

**Referred to SEDC and the Mayor:** Ian Trowbridge commented on the Hilltop property.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:08 a.m. - 11:11 a.m.)

PUBLIC COMMENT-16:

**Referred to the City Attorney and the Mayor:** Laura Moran commented on the contract with Prudential Overall Supply.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:12 a.m. - 11:15 a.m.)

PUBLIC COMMENT-17:

Isable Peña commented on working with Prudential Overall Supply.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:16 a.m. - 11:18 a.m.)

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COUNCIL COMMENT:

COUNCIL COMMENT-1:

Council President Peters wished President Pro Tem Young a happy birthday and congratulated Chris Pendleton and Carl Pasquale who put college on hold to join the military.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:21 a.m. - 10:22 a.m.)

INDEPENDENT BUDGET ANALYST COMMENT:

None.

CITY ATTORNEY COMMENT:

None.

ITEM-30: Approval of Council Minutes.

**TODAY'S ACTION IS:**

APPROVED

Approval of Council Minutes for the meetings of:

05/28/2007 - Adjourned  
05/29/2007 - Adjourned  
06/04/2007  
06/05/2007

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:02 a.m. – 10:02 a.m.)

MOTION BY ATKINS TO APPROVE. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-31: Deputy Chief & Fire Marshal Samuel L. Oates Day.

**MAYOR SANDERS' RECOMMENDATION:**

Adopt the following resolution:

(R-2007-1252) ADOPTED AS RESOLUTION R-302866

Commending Deputy Chief & Fire Marshal Samuel L. Oates for thirty-four years of personal sacrifice and dedication to saving lives;

Proclaiming the 24<sup>th</sup> day of July 2007, to be "Deputy Chief & Fire Marshal Samuel L. Oates Day" in the City of San Diego.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:02 a.m. – 10:02 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Young. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-32: Chett Chew Day.

**COUNCILMEMBER ATKINS' RECOMMENDATION:**

Adopt the following resolution:

(R-2007-1259) ADOPTED AS RESOLUTION R-302867

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Commending Chett Chew for his years of service to the San Diego community working for the City of San Diego;

Proclaiming July 24, 2007, to be "Chett Chew Day" in the City of San Diego.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:13 a.m. – 10:20 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Faulconer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-33: Bill Middleton Day.

**COUNCILMEMBER MAIENSCHIN'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-35) ADOPTED AS RESOLUTION R-302868

Proclaiming July 24, 2007, as "Bill Middleton Day" in the City of San Diego in recognition of his dedication and commitment to protecting the citizens of San Diego from fire danger.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:07 a.m. – 10:13 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.



\* ITEM-50: Amendments to Address "Mini Dorms" and Preserve Character of RS Zones.

(See Report to the City Council No. 07-115. Citywide.)

**CITY COUNCIL'S RECOMMENDATION:**

Adopt the following ordinance which was introduced on 7/9/2007, Item 200, Subitem A.  
(Council voted 8-0):

(O-2007-160) ADOPTED AS ORDINANCE O-19650 (New Series)

Amending San Diego Municipal Code, by amending Chapter 13, Article 1, Division 4, by amending Table 131.04D and Section 131.0447; by amending Chapter 13, Article 2, Division 8, by amending Section 132.0802 and Table 132-08A; and, by amending Chapter 14, Article 2, Division 5, by amending Section 142.0520, by adding Section 142.0521, and by amending Section 142.0560; all related to the regulation of the physical development of single dwelling units Residential-Single Unit Zones, including limits on numbers of bedrooms based on parcel size, and various parking and hardscape regulations.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO DISPENSE WITH THE READING AND ADOPT THE ORDINANCE. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

\* ITEM-51: Approving the Barrio Logan Redevelopment Plan Amendment.

(See Redevelopment Agency Report RTC-07-22/RTC-07-098. Barrio Logan Community Area. District 8.)

**CITY COUNCIL'S RECOMMENDATION:**

Adopt the following ordinance which was introduced as amended on 7/10/2007,  
Item 336, Subitem A. (Council voted 8-0):

(O-2007-161 Rev.) ADOPTED AS ORDINANCE O-19651 (New Series)

Approving and adopting the Second Amendment to the Redevelopment Plan for the Barrio Logan Redevelopment Project, to amend the land use designation map exhibit to the Redevelopment Plan to reflect high density residential use on two properties, commonly known as 1629 National Avenue and 1668 National Avenue in Barrio Logan, previously designated as light industrial/commercial use.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO DISPENSE WITH THE READING AND ADOPT THE ORDINANCE. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

- \* ITEM-100: Extension of Retention of Outside Legal Counsel, Sandler Lasry Laube Byer & Valdez for Legal Services Relating to Litigation Assistance in La Jolla Alta Master Council v. City of San Diego, et al.

(La Jolla Alta Community Area. District 1.)

**CITY ATTORNEY'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-25) ADOPTED AS RESOLUTION R-302869

Authorizing the City Attorney to extend the retainer agreement with the Law Firm of Sandler Lasry Laube Byer & Valdez pursuant to the terms and conditions of that retainer agreement, dated November 2, 2005, to serve as outside counsel in connection with the La Jolla Alta litigation;

Authorizing the City Auditor and Comptroller to transfer within the Public Liability Fund the sum of \$125,000 to provide funds for the above retainer agreement with Sandler Lasry Laube Byer & Valdez, and expend said funds as requested.

**SUPPORTING INFORMATION:**

The City Council authorized the City Attorney to seek outside expert legal counsel to provide legal services in connection with the defense of the litigation entitled La Jolla Alta Master Council v. City of San Diego, et al., San Diego Superior Court Case No. GIC 822281. After inquiring of the profession for such expertise, Thomas Laube of the law firm of Sandler Lasry Laube Byer & Valdez was determined to be one of the premiere law firms in this area of legal practice and said firm has indicated their willingness and ability to provide such services under a retainer agreement. This action seeks to extend this retention so that Thomas Laube can further assist the City in this litigation.

**FISCAL CONSIDERATIONS:**

The total cost is not to exceed \$125,000 from the Public Liability Fund.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:**

This matter was approved in Closed Session on February 27, 2007.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:** N/A

**KEY STAKEHOLDERS AND PROJECTED IMPACTS:**

Sandler Lasry Laube Byer & Valdez

Boardman/Goldstone

Aud. Cert. 2700845.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

- \* ITEM-101: Retention of Outside Legal Counsel, Latham & Watkins, LLP, for Legal Services Relating to Litigation Assistance in La Jolla Alta Master Council v. City of San Diego, et al.

(La Jolla Alta Community Area. District 1.)

**CITY ATTORNEY'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-26)                      ADOPTED AS RESOLUTION R-302870

Authorizing the City Attorney to execute the retainer agreement with the Law Firm of Latham & Watkins, LLP pursuant to the terms and conditions of that retainer agreement, dated May 29, 2007, to serve as outside counsel in connection with the La Jolla Alta litigation;

Authorizing the City Auditor and Comptroller to transfer within the Public Liability Fund the sum of \$250,000 to provide funds for the above retainer agreement with Latham & Watkins, LLP and expend said funds as requested.

**SUPPORTING INFORMATION:**

The City Council authorized the City Attorney to seek outside expert legal counsel to provide legal services in connection with the defense of the litigation entitled La Jolla Alta Master Council v. City of San Diego, et al., San Diego Superior Court Case No. GIC 822281. After inquiring of the profession for such expertise, Kristine Wilkes of the law firm of Latham & Watkins, LLP was determined to be one of the premiere law firms in this area of legal practice and said firm has indicated their willingness and ability to provide such services under a retainer agreement.

**FISCAL CONSIDERATIONS:**

The total cost is not to exceed \$250,000 from the Public Liability Fund.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This matter was approved in Closed Session on February 27, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Latham & Watkins, LLP

Boardman/Goldstone

Aud. Cert. 2700844.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

\* ITEM-102: North Park Main Street/University Avenue Streetscape Improvements.

(Greater North Park Community Area. District 3.)

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2007-1266) ADOPTED AS RESOLUTION R-302871

Amending the Fiscal Year 2007 Capital Improvements Program Budget for CIP-39-207.0, North Park Main Street University Avenue Streetscape Improvements (Project), Fund No. 79502, North Park Developer Impact Fees, by increasing the budget amount by \$60,000;

Authorizing the appropriation and expenditure of an amount not to exceed \$60,000 from CIP-39-207.0, North Park Main Street/University Avenue Streetscape Improvements, Fund No. 79502, North Park Development Impact

Fees, solely and exclusively, for the purpose of providing funds for the Project, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves;

Declaring this activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301, existing facilities.

**STAFF SUPPORTING INFORMATION:**

The North Park Main Street/University Avenue Streetscape Improvements will provide enhanced sidewalks, new curb and gutter, traffic calming measures, and landscape at locations along University Avenue between 28<sup>th</sup> Street and Granada Avenue, and at 30<sup>th</sup> Street between University Avenue and North Park Way.

The plans for this project were originally prepared by Earth Tech Consultants in the early 1990s. However, due to unavailability of funding, the project was put on hold. In 2004, the City re-entered into an agreement with Earth Tech Consultants to finalize the plans and specifications for this project. However, due to further funding unavailability, the project was put on hold again until adequate funds for construction were identified. An additional \$60,000 is needed to fully fund the project and allow City staff to proceed with advertising, awarding, and construction activities. Specifically, these funds will be used to contribute towards the construction costs of the improvement project.

**FISCAL CONSIDERATIONS:**

Funds for this action in the amount of \$60,000 are available in Fund 79502, North Park Development Impact Fees. Current funding in the amount of \$450,000 for this project is available from Fund 18521, HUD Section 108 Public Improvements.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:** None.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

Engineering and Capital Projects staff have worked closely with the North Park Main Street Design Committee, community members, and Council District 3 staff throughout the design phase, and will continue to do so once in construction.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key Stakeholders: City of San Diego; Greater North Park Community.

Projected Impacts: The approval of this action will make funding available so that the City can begin the award and construction phases of the project.

Boekamp/Haas

Aud. Cert. 2700829.

Staff: Dave Zoumaras - (619) 533-3138  
Peter A. Mesich - Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

\* ITEM-103: Ridgewood Neighborhood Park Play Area Upgrades.

(Rancho Peñasquitos Community Area. District 1.)

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2007-1325) ADOPTED AS RESOLUTION R-302872

Amending the Fiscal Year 2007 Capital Improvement Program Budget for CIP-29-864.0, Rancho Peñasquitos Parks - Playground Upgrades, sublet project CIP-29-864.1, Ridgewood Neighborhood Park Play Area Upgrade, Fund No. 10596, Rancho Peñasquitos East Trust Fund by increasing the budget amount by \$250,000;

Authorizing the City Auditor and Comptroller to appropriate and expend \$250,000 from CIP-29-864.0, Rancho Peñasquitos Parks- Playground Upgrades,

sublet project CIP-29-864.1, Ridgewood Neighborhood Park Play Area Upgrade, Fund No. 10596, Rancho Peñasquitos East Trust Fund, for the completion of this project, provided the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess funds, if any, to the appropriate reserves;

Authorizing the City Auditor and Comptroller to reimburse Fund No. 10596, Rancho Peñasquitos East Trust Fund, with funds from the Rancho Peñasquitos Facilities Benefit Assessment (FBA), Fund No. 79004, for the amount of funds expended, as programmed in the Rancho Peñasquitos Public Facilities Financing Plan, or as soon thereafter as FBA funds become available in an amount not to exceed \$250,000.

**STAFF SUPPORTING INFORMATION:**

The Rancho Peñasquitos Public Facilities Financing Plan (PFFP) identifies CIP-29-864.0, Rancho Peñasquitos Parks - Playground Upgrades, Project No. 39, as playground upgrades in several Rancho Peñasquitos parks. The playground at Twin Trails Neighborhood Park was the first playground identified on the list and was completed in FY 06. The second park on the list is Ridgewood Neighborhood Park (NP). The playground at Ridgewood NP was originally scheduled to be upgraded in FY 07. However, due to the slowdown in the housing market, development within the Rancho Peñasquitos community slowed and fewer building permits were issued than anticipated. This impacted the available FBA funding for the playground upgrade at Ridgewood NP to the point where the project would have to be delayed until FY 09.

In August of 2006, much of the existing play equipment at Ridgewood NP was removed due to vandalism rendering the equipment unsafe for public use. In addition, the safety surfacing no longer met the current standards for head impact attenuation or accessibility requirements. With the understanding that the FBA funds were going to be available for the playground upgrade, it was decided to remove the dangerous equipment from the park altogether. Shortly after that decision was made, the housing market slowdown occurred and the FBA funds were not received as originally projected.

The Rancho Peñasquitos Planning Board (RPPB) determined that the playground at Ridgewood NP was a vital part of their community. Therefore, the RPPB decided to approach the City's



Facility Financing Division of the City Planning & Community Investment Department to discuss alternative means to provide funding for this highly desirable park amenity and upgrade. It was decided to use funds from the Rancho Peñasquitos East Trust Fund, Fund No. 10596 as an advance to pay for the playground upgrades, to be reimbursed by the FBA at such time as the funds are programmed in the financing plan and available. In doing so, the RPPB will be postponing other improvements within the community that these funds were to be used for until a later date. This approach will address an immediate need within the community without significantly impacting future improvements desired by the RPPB.

This project will replace the equipment removed and bring the play area into compliance with current playground safety and accessibility requirements.

FISCAL CONSIDERATIONS:

The project will be implemented via the Design, Production and Installation method of contracting in which vendors will be asked to provide a design for the playground for a set amount of funds and those designs will be evaluated by a committee. This method reduces design costs and expedites the installation. Since this project will replace and upgrade the existing playground at Ridgewood NP, it will not increase the maintenance costs for the park.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Park and Recreation has worked with community members in identifying the type of play experiences to be included in the playground upgrade. The RPPB participated in identifying the funding mechanism to allow this project to proceed one to two years ahead of schedule.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The Rancho Peñasquitos Recreation Council and the RPPB. Only positive impacts are anticipated.

LoMedico/Reynolds

Aud. Cert. 2700861.

Staff: Jim Winter - (619) 533-3040  
Shannon Thomas - Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-104: Declaring a Continued State of Emergency Due to Severe Shortage of Affordable Housing in the City.

**TODAY'S ACTION IS:**

Adopt the following resolution:

(R-2007-1230) ADOPTED AS RESOLUTION R-302873

Declaring a Continued State of Emergency Due to Severe Shortage of Affordable Housing in the City of San Diego.

FILE LOCATION: GEN'L – State of Emergency Due to Severe Shortage of Affordable Housing in the City of San Diego

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

\* ITEM-105: Declaring a Continued State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico.

(District 8.)

**TODAY'S ACTION IS:**

Adopt the following resolution:

(R-2007-1211) ADOPTED AS RESOLUTION R-302874

Declaring a Continued State of Emergency regarding the discharge of raw sewage from Tijuana, Mexico.

FILE LOCATION: GEN'L – State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-330: Ordinance Amending Condominium Conversion Regulations.

To consider ordinances amending Chapter 14, Article 4, Division 5 of the Land Development Code regarding condominium conversions. The amendment addresses limitations on the number of dwelling units to be processed as condominium conversions in a year, conditions under which specified improvements can be deferred, and other related modifications.

The proposed amendments to the Land Development Code constitute an amendment to City of San Diego's Local Coastal Program (LCP) and must be certified by the California Coastal Commission to be effective in the Coastal Overlay Zone. The LCP amendment will not become effective within the Coastal Overlay Zone until unconditionally certified by the California Coastal Commission. If you wish to be noticed of the Coastal Commission hearing on this issue, prior to the close of the City Council public hearing, you must submit a request in writing to City of San Diego, Development Services Department, 1222 First Avenue, MS-501, San Diego, CA 92101, Attention: Dan Joyce.

(Citywide.)

(Continued from the meeting of June 12, 2007, Item 342, at the request of Councilmember Frye, for full City Council.)

NOTE: Hearing open. Testimony taken on 6/12/2007.

**STAFF'S RECOMMENDATION:**

Adopt the resolutions in Subitems A and B; and introduce the ordinance in Subitem C:

Subitem-A: (R-2007-1013) RETURNED TO MAYOR

Adoption of a Resolution of the Council of the City of San Diego adopting the settlement agreement reached between the petitioners and the City in the four condominium conversion lawsuits.

Subitem-B: (R-2007-1164) RETURNED TO MAYOR

Adoption of a Resolution stating for the record that the amendments to the Land Development Code by Ordinance Number O-\_\_\_\_\_ are a subsequent discretionary approval of the Project addressed in Environmental Impact Report No. 96-0333, and therefore this action is not a separate project under CEQA Guidelines Section 15060(c)(3);

Stating for the record that the information contained in the Environmental Impact Report No. 96-0333, Addendum to EIR No. 96-0333, and Environmental Impact Report Addendum No. 100693, including any comments received during the public review process, have been previously reviewed and considered by this Council and it is determined that this subsequent discretionary approval of the amendments to the Land Development Code by Ordinance Number O-\_\_\_\_\_, do not involve any new direct, indirect, cumulative impacts, substantial changes, or new information of substantial importance that would warrant any additional environmental review, new CEQA findings, or a Statement of Overriding Consideration.

Subitem-C: (O-2007-132) RETURNED TO MAYOR

Introduction of an Ordinance of the Council of the City of San Diego amending Chapter 14, Article 4, Division 5 of the San Diego Municipal Code by amending Sections 144.0501, 144.0503, and 144.0507; and adding Sections 144.0506, 144.0510, and 144.0511; all relating to condominium conversion regulations.

**STAFF SUPPORTING INFORMATION:**

**REQUESTED ACTION:**

Adopt and implement the Settlement Agreement in *Citizens For Responsible Equitable Environmental Development v. City of San Diego* Superior Court Case No. GIC871259; *Affordable Housing Coalition of San Diego County, et al. v. City of San Diego, et al.*, Court of Appeal Case No. D049665 (Superior Court Case No. 857723); *Citizens For Responsible Equitable Environmental Development, et al. v. City of San Diego, et al.*, Court of Appeal Case No. D049637 (Superior Court Case No. GIC858098); and *Citizens For Responsible Equitable Environmental Development, et al., v. City of San Diego* Superior Court Case No. GIC876017 by considering three amendments to the Condominium Conversion Regulations.

**STAFF RECOMMENDATION:**

Adopt the resolutions.

**EXECUTIVE SUMMARY:**

On March 27, 2007, the City Council entered into a Settlement Agreement which requires the Council to docket amendments of the Condominium Conversion Regulations for consideration at a public hearing. The amendments include (1) a prohibition on the conversion of more than 1,000 rental housing units to condominiums per calendar year, (2) a requirement that City, prior to approval of any application for the conversion of rental housing units to condominiums, survey the tenants of the units and issue an annual report on the results of the surveys, and (3) a provision allowing the approval of a final subdivision map, notwithstanding that fact that certain required improvements have not yet been completed, provided that a certified copy of a recorded covenant and restriction has been provided to the City which ensures completion of such improvements will be made prior to sale of a unit. If the City Council adopts the amendments, the Petitioner will dismiss *Affordable Housing Coalition of San Diego County, et al. v. City of San Diego, et al.*, Court of Appeal Case No. D049665 (Superior Court Case No. 857723), will accept \$75,000 as attorneys fees, and will not seek fees from the City in any of the other matters.

**FISCAL CONSIDERATIONS:**

If the amendments are adopted, the Settlement Agreement in the above-referenced matters limits the amount of attorneys' fees to be paid to petitioner to \$75,000. This eviscerates the risk of a vastly higher fee award if petitions were to prevail in these matters and substantially reduces the amount of resources necessary to defend these actions.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:**

Council authorized the approval of a settlement agreement in Closed session on March 27, 2007, by allowing the following vote: The motion was made by Councilmember Donna Frye with a second by Councilmember Toni Atkins. It passed 6 to 0 with Council President Scott Peters and Council President Pro Tem Tony Young absent.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Before the City and the Petitioners entered into the above-referenced Settlement Agreement, all parties to the lawsuits as well as some non-parties who have interests in condominium conversions generally were involved in settlement discussions. When global negotiations failed, the City and the Petitioners entered into a Settlement Agreement. Subsequently, many of the condominium converters who were parties to one or more of the lawsuits entered into a separate Settlement Agreement with the Petitioners.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

If these amendments are adopted, the number of tenants displaced by condominium conversions will be significantly reduced. Furthermore, the City will significantly reduce its potential liability for past and future approvals of condominium conversions by the use of the existing facilities exemption to the California Environmental Quality Act and will avoid the need to expend substantial City resources opposing the lawsuits.

Aud. Cert. 2700797.

Heumann/MRD

**NOTE:** This activity is covered under Environmental Impact Report No. 96-0333, as well as addendums to that EIR. The activity is adequately addressed in the environmental document and there is no change in circumstance, additional information, or project changes to warrant additional environmental review. Because the prior environmental documents adequately cover this activity as part of the previously approved project, the activity is not a separate project for purposes of CEQA review per CEQA Guidelines Sections 15060(c)(3) and 15378(c).

Staff: Dan Joyce – (619) 446-5388  
Malinda R. Dickenson – Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:25 a.m. – 11:31 a.m.)

MOTION BY COMMON CONSENT TO RETURN TO THE MAYOR. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-331: Public Contract Operations (MWWD Department-Wide Bid to Goal) Implementation.

(See Report to the City Council No. 07-114, Independent Budget Analyst Report No. 07-65, and memorandum from the City Attorney dated 7/11/2007. Citywide.)

**STAFF'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-90) RETURNED TO MAYOR  
(~~R-2007-1184 Rev.~~)

Ratifying the Memorandum of Understanding for the Bid to Goal Public Contract Operations Agreement regarding the operation of the City's wastewater system;

Authorizing the Mayor, or his designee, pursuant to the Memorandum of Understanding, to approve and accept a responsible and responsive Metropolitan Wastewater Department Labor-Management Partnership Bid for the operation of the City's wastewater system;

Declaring that this activity is not a "project" and therefore is not subject to the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15060(c)(3).

**ADDITIONAL INFORMATION:**

This item was considered by the Council as Item-200 at the June 25, 2007 meeting. The motion adopted by the Council was to ratify the Memorandum of Understanding provided that the Termination for Convenience provision set forth in Paragraph V.C of the document was removed. It has since been determined that this action made a material change to an integral part of the agreement previously agreed to by the parties, and therefore, was void as it violates the Meyers-Milius-Brown Act. The City Attorney has recommended that this item be returned to the Council, and approved as originally submitted, or rejected and returned to the Mayor for further action.

**STAFF SUPPORTING INFORMATION:**

In 1997, City Council authorized the first Bid to Goal Agreement (Agreement) with the Metropolitan Wastewater Department (MWWD). Currently, two divisions of MWWD have Agreements in place (through FY 2007). Over the past 10 years, the Bid to Goal approach has demonstrated remarkable success as a strategy to optimize public sector service delivery, promoting significant improvements in the efficiency and effectiveness of relevant MWWD functions. This proposed department-wide Agreement is complementary to the recent MWWD Business Process Reengineering (BPR) effort that validated MWWD performance levels and developed a Most Efficient Organization (MEO).

While this Agreement maintains most of the elements of the two operative Agreements, significant refinements are included and addressed in the accompanying Report to Council. MWWD and the Labor Organizations have reached a tentative Bid to Goal agreement pending the City Council approval.

**FISCAL CONSIDERATIONS:**

MWWD's Bid to Goal Agreement is projected to yield estimated annual savings of \$20 million compared to projections made prior to implementing the MEO. Incentives and accountability provisions are incorporated to encourage efficiency savings beyond these projections.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:**

Two existing MWWD Bid to Goal Agreements and related Amendments were approved with MWWD's Operations & Maintenance and Wastewater Collection Divisions (both expire 6/30/2007).

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

Past Bid to Goal efforts and the proposed expansion to a department-wide agreement were discussed with the Public Utilities Advisory Commission in conjunction with presentations on the MWWD BPR process. Performance results will be briefed in public forum at appropriate venues.

**KEY STAKEHOLDERS & PROJECTED IMPACTS (if applicable):**

Results of actions described above are intended and designed to deliver reliable, cost-effective services to MWWD's ratepayers with reduced staff and expenses. This agreement extends and maintains the labor-management partnership of the City and participating labor organizations.

Bertch/Haas

Staff: Margaret Wyatt - (858) 292-6467  
Thomas C. Zeleny - Deputy City Attorney



FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:32 a.m. – 11:47 a.m.)

Motion by Faulconer to Adopt. Second by Hueso. Failed. Yeas-128-yea; Nays-3467; Not present-5.

MOTION BY COMMON CONSENT TO RETURN TO THE MAYOR. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-332: Approving the Issuance of Bonds for the Redwood Villa Apartments.

(See San Diego Housing Commission Report HAR-07-023. Eastern Area Community Area. District 4.)

**SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-23) ADOPTED AS RESOLUTION R-302877

Declaring that the City Council, as the applicable elected representative with respect to the Housing Authority of the City of San Diego (Authority) under Section 147(f) of the Internal Revenue Code of 1986, approves the issuance of the Bonds by the Housing Authority for the Redwood Villa Apartments, to finance the acquisition and rehabilitation of a multifamily rental housing project in the City of San Diego (Project);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

**SUPPORTING INFORMATION:**

Redwood Villa is a 92-unit affordable housing development for seniors located at 3060 53rd Street in the community of Oak Park. The project contains 66 one-bedroom units, 24 two-bedroom units, and two three-bedroom staff units.

Redwood Villa currently has rent and occupancy restrictions on 74 of its 92 total units. Forty-one units are currently restricted under the California Rental Housing Construction Program. The rents on the RHCP units are set so that tenants pay 30% of their incomes on rent and utilities. An additional 33 units are rent and occupancy restricted under the terms of the Housing Commission loan at 50% Area Median Income (AMI) (\$28,100 for a household of 2), 60% AMI (\$33,720 for a household of 2), and 65% AMI (\$36,500 for a household of 2). Eighteen units are unrestricted.

Through the proposed bond issuance, Redwood Villa will repay state and Housing Commission loans, and will continue to provide housing for low- and very-low income seniors for a minimum of 55 years. Thirty-four units will be restricted at 50% AMI, 56 units will be restricted at 60% AMI, and two units will be reserved for on-site managers and will not be rent and occupancy restricted. Current tenants occupying the 41 RHCP-restricted units will continue to pay 30% of their income towards rent and utilities until they vacate their units. Through attrition, rents on the RHCP units will be increased to 50% and 60% AMI.

#### TEFRA Resolution Revision

To assure that projects making use of tax-exempt financing meet appropriate governmental purposes and provide reasonable public benefits, the Internal Revenue Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located. In the resolution approved by the City Council on March 6, 2007, the name of the ownership entity was incorrect. To ensure that the proposed bonds are tax-exempt, bond counsel recommends that a new TEFRA resolution be adopted.

#### FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested action. Issuance of bonds by the Housing Authority will not constitute a debt of the City of San Diego. Neither the faith and credit nor the taxing power of the City or the Housing Authority would be pledged to the payment of the bonds; security for repayment of the bonds will be limited to the value of the property and its revenue sources. All costs of the financing, including compensation for staff efforts in preparing the bonds, will be borne by the project owner. The Housing Commission's origination fee under the financing will be up to \$13,915 (0.23 percent of the bond amount). No local housing funds (Tax increment, Inclusionary, Housing Trust Fund, HOME, CDBG etc.) will be made available to develop the project.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

From 1983 through 1988 the Housing Commission, City Council, and Housing Authority approved several items to facilitate the financing of Redwood Villa Apartments. On March 6, 2007, the Housing Authority and City Council approved preliminary bond items for the project.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Interfaith presented an informational report on its plan to refinance and rehabilitate the project to the Eastern Area Planning Group on March 13, 2007.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Low income seniors are the intended residents of the project. An affiliate of Interfaith will act as the developer of the project. Red Capital will provide debt and equity as well as act as the underwriter for the project. Public Financial Management and Stradling, Yocca Carlson & Rauth have been selected to assist in preparing the financing.

Fisher/Morris

There was no public testimony on this item.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 4:58 p.m. - 4:59 p.m.)

MOTION BY YOUNG TO ADOPT. Second by Peters. Passed by the following vote:  
Peters-yea, Faulconer-yea, Atkins-not present, Young-yea, Maienschein-not present,  
Frye-yea, Madaffer-not present, Hueso-yea.

ITEM-333: Approving the Issuance of Preliminary Bonds for the Boulevard Apartments.

(See San Diego Housing Commission Report HAR-07-017. Greater North Park Community Area. District 3.)

**SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-22)                      ADOPTED AS RESOLUTION R-302878

Declaring that the City Council, as the applicable elected representative with respect to the Housing Authority of the City of San Diego (Authority) under Section 147(f) of the Internal Revenue Code of 1986, approves the issuance of the Bonds by the Housing Authority for the purpose of financing the acquisition and construction of approximately 24 units of multifamily rental housing to be located at 3137 El Cajon Boulevard, to be known as the Boulevard Apartments (Project);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

**SUPPORTING INFORMATION:**

The site for the proposed Boulevard Apartments is located at 3133-3137 El Cajon Boulevard, on the South side of El Cajon Boulevard between Iowa Street and Illinois Street, two blocks west of the 805 freeway. The project will provide a total of 24 affordable housing units, approximately 2,000 square-feet of commercial space, and a 17-space parking garage on a 0.24-acre site. The project would also include a landscaped roof deck with barbeque facilities, patio cover, picnic tables and a children's play area. Each unit would feature a private balcony.

The 24 residential units would consist of 3 one-bedroom units, 18 two-bedroom units and 3 three-bedroom units. Although the Housing Commission's Bond Program would normally restrict rents at 50% and 60% of the Area Median Income (AMI) (\$31,600 and \$37,920 for a family of three), other funding sources require substantially lower restricted rents.

As a result, 14 units will be restricted at 30% AMI (\$18,950 for a household of three) and 9 units will be restricted at 40% AMI. One unit will be reserved for an on-site manager and will not be occupancy-restricted.

SVDP and Chelsea will be joint venture partners in a limited partnership that has been established to own and operate the Boulevard Apartments; SVDP will be the managing general partner and an affiliate of Chelsea will be the administrative general partner. SVDP and Chelsea have collaborated on five affordable housing projects during the previous twelve years.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions does not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee. It is possible that the Housing Commission will be asked to participate in the local subsidy. The development team is currently gathering funding commitments.

PREVIOUS HOUSING AUTHORITY and/or COMMITTEE ACTIONS: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On April 19, 2005, the Greater North Park Community Planning Group voted 6-5-2 to recommend approval of the project, with the condition that the applicant provide explicit documentation that there is a 50-year agreement specifying St. Vincent de Paul as the manager and operator of the property. On March 15, 2007, with a vote of 5-0-2, the Planning Commission approved the site development permit for the project.

ENVIRONMENTAL REVIEW:

On March 15, 2007, the Planning Commission certified Environmental Impact Report No. 55461 in accordance with the State of California Environmental Quality Act guidelines.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very-low income households are the intended residents of the project. SVDP and Chelsea compose the development team for the project. The SVDP board members and the owners of Chelsea are listed in Attachments 2 and 3. The Richmond Group has been tentatively selected to provide equity for the project.

Fisher/Morris

**NOTE:** See the Housing Authority Agenda of July 24, 2007, for a companion item.

There was no public testimony on this item.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 5:04 p.m. - 5:04 p.m.)

MOTION BY ATKINS TO ADOPT. Second by Madaffer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-334: Two actions related to City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending June 30, 2004 and Considering Sole Source Agreements with Macias, Gini & O'Connell for Fiscal Years 2006 and 2007 CAFR Audits.

(See Report to the City Council 07-121.)

**TODAY'S ACTIONS ARE:**

Adopt the following resolution in Subitem A and introduce the ordinance in Subitem B:

Subitem-A: (R-2008-34) ADOPTED AS RESOLUTION R-302879

Receiving and filing the City's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2004, together with the Report on Audit Procedures;

Receiving and filing the 2004 Single Audit.

Subitem-B: (O-2008- ) INTRODUCED, TO BE ADOPTED  
TUESDAY, SEPTEMBER 4, 2007

Introduction of an Ordinance approving a sole source agreement with Macias, Gini & O'Connell and expenditure in an amount not to exceed \$1,114,830 for the audit of the Fiscal Year 2006 CAFR;

Approving a sole source agreement with Macias, Gini & O'Connell and expenditure in an amount not to exceed \$1,159,710 for the audit of the Fiscal Year 2007 CAFR;

Authorizing the City Auditor and Comptroller to appropriate, transfer, and expend up to \$688,000 from the Unallocated Reserve to the appropriate fund to pay the General Fund portion of these expenditures that exceed previously budgeted amounts;

Directing the City Attorney to prepare the appropriate ordinance in accordance with Charter Section 40.

**AUDIT COMMITTEE'S RECOMMENDATION:**

On 7/9/2007, Audit voted 3 to 0 to forward the City's Fiscal Year 2004 Comprehensive Annual Financial Report, including the opinion and report of Macias Gini & O'Connell, each dated May 11, 2007 (the "2004 CAFR") to the full City Council, with a recommendation by the Audit Committee that the City Council receive and file the 2004 CAFR. (Councilmembers Faulconer, Atkins, and Young voted yea.)

**SUPPORTING INFORMATION:**

Consistent with the remedial recommendation contained in the Report of the Audit Committee of the City of San Diego (Kroll Report) dated August 8, 2006, staff provided the 2004 CAFR to the City Council for their review two weeks prior to consideration by the Council. Staff simultaneously presented the CAFR to the City of San Diego Audit Committee during two open meetings of the Audit Committee, at the conclusion of the second meeting the Audit Committee unanimously voted to recommend that the full City Council receive and file the 2004 CAFR.

At this meeting staff is recommending that it be received by the City Council as final. This document has been approved by the City's Disclosure Practices Working Group (DPWG) and the certificate of approval.

The public may obtain a copy of the City's 2004 CAFR on the City website at no charge.

**FISCAL CONSIDERATIONS:** None.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:**  
Audit Committee on 7/9/2007.

Levin/Goldstone

Aud. Certs. 2800035 and 2700375.

FILE LOCATION: SUBITEM A: MEET  
SUBITEM B: NONE

COUNCIL ACTION: (Time duration: 2:05 p.m. - 3:21 p.m.)

MOTION BY FAULCONER TO ADOPT THE RESOLUTION IN SUBITEM A.  
Second by Young. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea,  
Young-yea, Maienschein-not present, Frye-nay, Madaffer-yea, Hueso-yea.

MOTION BY FAULCONER TO INTRODUCE THE ORDINANCE IN SUBITEM B.  
Second by Young. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea,  
Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-335: Response to the Grand Jury Report – “San Diego City Streets”.

(See letter from Mayor Sanders dated 7/16/2007.)

**MAYOR SANDERS' RECOMMENDATION:**

Adopt the following resolution:

(R-2008-60) ADOPTED AS RESOLUTION R-302880

Affirming and joining with the Mayor in his response to the findings and recommendations of the 2006-2007 San Diego County Grand Jury in its report dated May 21, 2007, and titled “San Diego City Streets” contained in the Mayor’s letter to the Presiding Judge of the San Diego County Superior Court, dated July 16, 2007.



**SUPPORTING INFORMATION:**

The San Diego County Grand Jury issued a report on May 15, 2007 entitled "San Diego City Streets". After a review of all the facts alleged in the Grand Jury's report, the Mayor has prepared a response to those finding and recommendations directed to the Mayor along, or to both the Mayor and City Council. Since the Grand Jury report calls for a separate response from the City Council, it is recommended that the City Council review the Mayor's response and either join in the response or direct the Independent Budget Analyst (and/or City Attorney) to prepare a separate response on behalf of the City Council.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 3:28 p.m. - 3:30 p.m.)

MOTION BY HUESO TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-336: Response of the City Council to the Grand Jury Report – "Qualcomm Stadium Revisited".

**INDEPENDENT BUDGET ANALYST'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-40) ADOPTED AS RESOLUTION R-302875

Approving and adopting as the Council's response to the 2006-2007 San Diego County Grand Jury in its report dated May 24, 2007, and titled "Qualcomm Stadium Revisited Going, Going Gone from the 'Q,'" prepared by the Independent Budget Analyst (Council's Response); and

Authorizing the directing the City Council President, on behalf of the City Council of the City of San Diego, to execute and deliver the Council's Response to the Presiding Judge of the San Diego County Superior Court no later than August 24, 2007.

**SUPPORTING INFORMATION:**

The San Diego County Grand Jury issued a report on May 24, 2007 entitled "Qualcomm Stadium Revisited." Certain of the Grand Jury findings and recommendations were directed solely to the City Council. The Independent Budget analyst has prepared the response for the Council to review and approve for submittal to the Grand Jury.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:49 a.m. – 11:53 a.m.)

MOTION BY MADAFFER TO ADOPT WITH DIRECTION TO DELETE ONE SENTENCE AT THE BOTTOM OF PAGE FOUR OF THE INDEPENDENT BUDGET ANALYST REPORT WHICH STATES, "MORE CLARITY OR SPECIFICITY MAY BE WARRANTED AS TO THE DEFINITION OF 'GUEST' IN THE COUNCIL POLICY, AS THERE IS NO EXPLICIT EXCLUSION FOR FAMILY MEMBERS." Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-S500: Response to the Grand Jury Report – "Qualcomm Stadium Revisited – Going, Going, Gone from the Q".

(See memorandum from Mayor Sanders dated July 19, 2007.)

**MAYOR SANDER'S RECOMMENDATION:**

Adopt the following resolution:

(R-2007-39) NOTED AND FILED

Joining with the Mayor in his response to the findings and recommendations of the 2006-2007 San Diego County Grand Jury in its report dated May 24, 2007, and titled "Qualcomm Stadium Revisited – Going, Going, Gone from the Q";

**SUPPORTING INFORMATION:**

The San Diego County Grand Jury issued a report on May 17, 2007, entitled "QUALCOMM STADIUM REVISITED - GOING, GOING, GONE FROM THE Q". After a review of all the facts alleged in the Grand Jury's report, the Mayor has prepared a response to those findings and recommendations directed to the Mayor alone, or to both the Mayor and City Council. Since the Grand Jury Report calls for a separate response from the City Council, it is recommended that the City Council review the Mayor's response and either join in the response or direct the Independent Budget Analyst (and/or City Attorney) to prepare a separate response on behalf of the City Council.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:49 a.m. – 11:53 a.m.)

ITEM-S501: Council Policy Revisions for the City Suites at Qualcomm Stadium and Petco Park.

(See current and proposed Council Policies for Qualcomm Stadium and Petco Park.)

**STAFF'S RECOMMENDATION:**

Adopt the following resolution:

(R-2008-92) ADOPTED AS RESOLUTION R-302876

Revising Council Policy 700-22, entitled "Qualcomm Stadium City Suite", governing use of the Qualcomm Stadium City Suite;

Revising Council Policy 700-47, entitled "Petco Park City Suites", governing use of the Petco Park City Suite;

Directing the City Clerk to add the aforesaid to the Council Policy Manual.

**STAFF SUPPORTING INFORMATION:**

The purpose of the Council Policy is to establish guidelines for admission of officials and their guests to the City Suite at Qualcomm Stadium and Petco Park. This proposed amendment would make the policy language consistent between the two stadiums and it would revise the ticket distribution to reflect changes in City government and stadium management.

The City Attorney's office opined that the language relating to ticket distribution in the Petco Park policy was too general in nature and should be revised to reflect the Council's intent when it passed the Qualcomm Stadium Policy several years earlier. The new language will be as follows, "Credential Holders may bring or offer their seats to guests in efforts to promote and/or market the City of San Diego, and to increase economic, governmental or social service benefits to the City. Any tickets not being used by a credential holder for a specific game date may be made available to other credential holder for special civic guests, such as Flag Officers, Members of Congress, State Senators, Members of the State Assembly or their guests as defined in this policy. Guest include volunteers and civic and community leaders who perform exceptional service to the City and City employees who are outstanding performers." This language is now present in both policies.

The new Qualcomm Stadium policy also includes a redefining of the ticket distribution among credential holders, as well as redistributing "pool tickets" for use by the Stadium Manager. The intended use of the Stadium Manager's tickets is to promote Qualcomm Stadium to event promoters for concerts, sporting events and special events. These tickets will also be used to build relationships with vendors and contractors, as well as employee recognition programs. The Qualcomm Stadium Advisory Board unanimously approved this recommendation.

**FISCAL CONSIDERATIONS:** None.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION (Qualcomm Stadium):**

Adopted by Resolution R-191907, 10/24/1967

Amended by Resolution R-209693, 1/17/1974

Amended by Resolution R-211379, 8/22/1974

Amended by Resolution R-289609, 12/16/1997

Amended by Resolution R-289889, 3/24/1998

**PREVIOUS COUNCIL and/or COMMITTEE ACTION (Petco Park):**

Adopted by Resolution R-301324, 3/28/2006

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: The proposed changes were discussed at the Qualcomm Stadium Advisory Board meeting on Thursday, June 8, 2006.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: The proposed amendments will make both Policies consistent with each other, revise the Policy language to reflect the Council's original intent for ticket distribution and redistributes pool tickets to the Qualcomm Stadium Manager. The guidelines set up for the use of the City Suite remain unchanged.

Stover/Waring

Staff: Erik Stover - (619) 641-3102

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:49 a.m. – 11:53 a.m.)

MOTION BY MADAFFER TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

#### REPORT OUT OF CLOSED SESSION:

To view the list of all available City Council Closed Session Meetings Reports refer to the link below:

<http://www.sandiego.gov/city-clerk/closedsess.shtml>

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:04 p.m. - 2:05 p.m.)

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**NON-DOCKET ITEMS:**

None.

**ADJOURNMENT:**

The meeting was adjourned by Council President Peters at 5:10 p.m. in honor of the memory of:

Floyd Gaffney at the request of Council President Pro Tem Young.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 5:07 p.m. – 5:10 p.m.)

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Elizabeth S. Maland, City Clerk  
City of San Diego